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LEGISLATIVE ASSEMBLY

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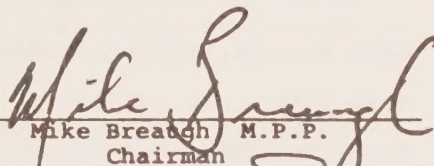
REPORT
of the
STANDING PROCEDURAL AFFAIRS COMMITTEE
on
AGENCIES, BOARDS AND COMMISSIONS

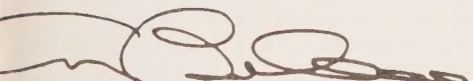
TABLED IN THE LEGISLATIVE ASSEMBLY BY
MIKE BREAUGH, M.P.P., CHAIRMAN
2ND SESSION, 31ST PARLIAMENT, 27TH ELIZABETH II

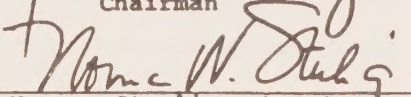
Honourable John Stokes, M.P.P.
Speaker of the Legislative Assembly

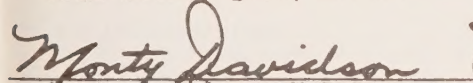
Dear Mr. Speaker:

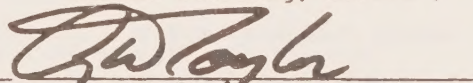
We, the undersigned members of the Standing Procedural Affairs Committee, having reviewed the operation of several Agencies, Boards and Commissions of the Government of Ontario, with a view to reducing possible redundancy and overlapping, as ordered by the Legislative Assembly on June 28, 1977, have the honour to submit the attached Report.

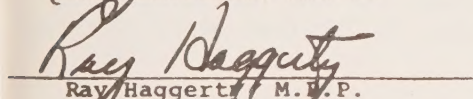

Mike Breach, M.P.P.
Chairman

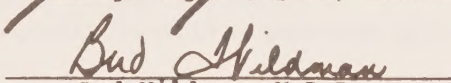

Mike Bolan, Q.C., M.P.P.


Norman Sterling, M.P.P.


Monty Davidson, M.P.P.


George Taylor, Q.C., M.P.P.


Ray Haggerty, M.P.P.


Bud Wildman, M.P.P.


Margaret Scrivener, M.P.P.

THE STANDING PROCEDURAL AFFAIRS COMMITTEE

THE LEGISLATIVE ASSEMBLY OF ONTARIO

SECOND SESSION: THIRTY-FIRST PARLIAMENT

MEMBERS

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George Taylor, Q.C., M.P.P.....Simcoe Centre
Bud Wildman, M.P.P.Algoma

Graham White, Clerk
Peter Johnson, Research Officer
Mary Scraggs, Secretary

SUMMARY OF RECOMMENDATIONS

General Recommendations

1. There be a twelve month moratorium on the creation of new agencies, and that during that period Management Board, in concert with the Ministries, and using the Committee on Government Productivity's and the 1974 Management Board study's guidelines, should comprehensively review all agencies in Ontario with a view to rationalizing their structures and arriving at an explicit policy on agencies.
2. Once a comprehensive review of Ontario's agencies is completed, guidelines for the number of members appointed to an agency and their remuneration be recommended by Management Board of Cabinet and subject to the approval of the Legislature.
3. Management Board of Cabinet should establish general guidelines for disclosure of interest. Each agency should then produce its own explicit procedure for disclosure of interest, which should be submitted for approval by the Executive Council and tabled in the Legislature.
4. Recommendations 2.2 and 2.4 of the 1974 Management Board Study of Agencies, Boards and Commissions be implemented; and the resulting policy statement should be included in each agency's next annual report.
5. All existing Memoranda of Understanding should be tabled in the Legislature.
6. All agencies should table annual reports in the Legislature.
7. There should be a standard format for all annual reports, and this format be prepared by the Management Board of Cabinet.

8. A standard accounting format should be established for agencies, and all expenditures and services provided to an agency by a Ministry or other agency should be charged back against the accounts of the agency.
9. In its review of agencies in Ontario, the Executive Council should examine federal-provincial overlapping with a view to improving coordination of federal and provincial interests.
10. The expenditure of all agencies shall be subject to the review of the Public Accounts Committee of the Legislature.
11. All agencies shall be listed in the Estimates books under their respective Ministries.

Specific Recommendations

12. The Pesticides Advisory Committee should continue in its advisory and research functions. The Ministry of the Environment, however, should give consideration to assuming the responsibility for the classification of pesticide products.
13. The Waste Management Advisory Board should continue in its present form. The Ministry of the Environment should consider expansion of the Board's terms of reference to include liquid wastes.
14. The Ontario Food Council should be terminated.
15. The Agricultural Research Institute should continue in its present function, but the Ministry of Agriculture and Food should ensure that the Institute's Board contain representatives of all agricultural areas of the province.
16. The Arts Council should discontinue the practice of granting money to individuals and groups outside of Ontario.

17. The Arts Council should discontinue the practice of granting money on a continuing basis to schools and school boards.
18. The Ontario Heritage Foundation should be decreased to 14 or fewer members, and that the Ministry of Culture and Recreation should ensure that the Foundation contains representatives of all regions in Ontario.
19. The Education Relations Commission should continue as an independent arbitral agency.
20. The Farm Machinery Board should be reconstituted by statute and provided with greater authority by the Ministry of Agriculture and Food.
21. All future Land Compensation Board members, other than the Chairman and the Vice Chairmen, should be paid on a per diem basis.
22. The Government should introduce legislation amending the awarding of costs provision for the Land Compensation Board.
23. The appeal and licence review functions of the Milk Commission be given to an independent agency and its residual functions be reviewed by the Ministry of Agriculture and Food to determine whether the Milk Commission should continue in operation.
24. The Cream Producers' Marketing Board should continue in its present form.
25. The St. Lawrence Parks Commission should continue in its present form.
26. The Ministry of Education and the Ministry of Colleges and Universities should conduct a further review of the Ontario Institute for Studies in Education.
27. The Ministry of Health should conduct a further review of the Alcoholism and Drug Addiction Research Foundation.

INTRODUCTION

In discussing the proliferation of agencies, boards and commissions, the Ontario Commission on the Legislature stressed the need for the Legislature to "take a greater responsibility towards what it has itself created."* The Procedural Affairs Committee's review of agencies, with the aim of reducing overlapping and redundancy, has been conducted very much with this stricture in mind.

If the broad issues relating to agencies, boards and commissions were relatively clear from the outset, the most useful approaches and procedures for dealing with them were by no means obvious. Accordingly, in this first set of agency reviews, the Committee endeavoured to examine as broad a spectrum of Government agencies as possible. Indeed the selection of agencies, like the entire process, was in many ways an exercise in evaluation, in developing criteria and standards. The review was frankly exploratory, a preliminary enquiry into a singularly complex area.

Of the agencies which fell under the Committee's terms of reference - those which tabled annual reports in the Legislature - 14 were selected for review. Among this number were large agencies and small; agencies with a substantial degree of independence and others which were all but adjuncts of a Ministry; newly created agencies and long established ones; advisory bodies; arbitration tribunals; research agencies; regulatory boards; policy delivery agencies; and granting bodies. Some agencies performed more than one function.

* Ontario Commission on the Legislature, Fifth Report, (October, 1975), p.41.

The agencies reviewed by the Committee thus represent a fair cross-section of those currently operating in Ontario. The agencies, categorized according to their primary function, are:

Advisory: Waste Management Advisory Board
Pesticides Advisory Committee
Ontario Food Council
Agricultural Research Institute

Research: Alcoholism and Drug Addiction
Research Foundation
Ontario Institute for Studies in
Education

Arbitral-Compensatory: Education Relations Commission
Farm Machinery Board
Land Compensation Board

Regulatory: Milk Commission of Ontario
Cream Producers' Marketing Board
St. Lawrence Parks Commission

Culture and Arts: Ontario Council for the Arts
Ontario Heritage Foundation

The annual budgets of these agencies range from \$40,000 to nearly \$18,000,000; their statutory powers are extensive in some cases and all but nonexistent in others; they are drawn from 7 Ministries.

Given the time and resources available to the Committee, it could not have been expected to mount a comprehensive review of even these 14 agencies, let alone the whole field of Ontario agencies. Nevertheless, the Committee did feel that it gained a solid general understanding of some very crucial issues, as well as an appreciation of the difficulties involved in dealing with them. For example, it became clear

to the Committee that no matter how thoughtfully a general principle on agencies was set out, inevitably special circumstances would call for significant exceptions.

Although the Committee recommended changes to particular agencies, and to their overall coordination, it would like to express its support of the work of the agencies reviewed and their staff. The Committee recognizes that in the great majority of instances in which problems have arisen, they are not of the agencies' own doing. Finally, the Committee was pleased that the meetings it held with representatives of the various agencies afforded them the opportunity to make their work better known and understood by the Members of the Legislature and by the public.

A word on definition and terminology: the Committee employed as its working definition of agency the broad administrative definition put forward in Management Board's 1974 study, Agencies, Boards and Commissions in the Government of Ontario:

An organizational unit of government which is a component part of a ministerial portfolio receiving a particular form of delegated authority and representing one alternative to the departmental structure as a means of assisting in the formation of government policy, or delivering government programs, or executing the government's regulatory responsibilities.

In addition, although its review encompassed Commissions, Committees, Institutes, Boards, Foundations and so on, the generic term "agency" is used throughout this report.

This report makes recommendations of two types. The first are general in scope, aimed at the approach to the administration

of agencies in Ontario. Secondly, the Committee has made specific recommendations related directly to the agencies which appeared before it. Prime concerns in both sets of recommendations are administrative rationality and the reduction of redundancy, and the fostering of greater government responsibility and agency accountability.

GENERAL RECOMMENDATIONS

It is likely that among the more than 700 agencies of the Government of Ontario some are inactive, or have outlived their usefulness. The Government is attempting to terminate such agencies; this is a necessary, but only partial solution. Equally important is the need to alleviate the difficulties related to agencies and to their overall management. This can only be done by a comprehensive review of all agencies in Ontario, with a view to administrative rationalization, and the establishment of a clear policy on agencies.

Historically, agencies in Ontario were developed in an ad hoc and unsystematic manner, with no central coordination. Consequently, agencies have been set up in very different fashions; the review by the Procedural Affairs Committee clearly pointed out a number of inconsistencies. For example, no two advisory agencies were, in a basic way, the same. On the whole, their differences were more significant than their similarities. Some advisory agencies did considerably more than offer advice; their functions ranged from research to investigation to policy implementation.

A further example well illustrates this general problem of inconsistency and lack of central coordination: the nomenclature involved. Agencies of the Ontario Government are variously designated as Institutes, Committees, Councils, Commissions, Boards, Foundations, Directorates, Tribunals,

Societies, Corporations, Authorities and Companies. In many cases the name of the agency does not describe or indicate its function. One Commission may not have any basic organizational, structural or functional similarities with another Commission.

Not surprisingly, this lack of coordination in establishing and managing agencies has led to difficulties. The Milk Commission, for example, was given numerous functions: appeal and licence review, advisory, administrative, regulatory, liaison, investigative, inquiry and research (including policy analysis). The review by the Procedural Affairs Committee suggested that not only was the Commission given too many responsibilities, but that some of them were clearly incompatible with others. The Ministry has long been aware of this situation, yet the Commission has continued for 13 years. This type of problem could have been avoided at the outset or resolved quickly had there been more effective central coordination, together with an explicit policy on agencies.

The crucial issue of the agency's relationship with the Government needs to be clearly thought through and a systematic classification established. Ideally, a truly independent agency would: a) operate under a founding Act, rather than by regulation; b) have no Civil Servants or MPPs on the governing board; c) make all major policy decisions itself; d) have funds directly allocated by the Legislature, under a specific vote and item; e) be administered by officials whose appointments are made with fixed terms and tenure, rather than

at the pleasure of the Lieutenant Governor in Council; f) maintain separate offices from the Government and hire its own staff. At the other end of the spectrum, some agencies are only appendages of a Ministry. Such departmental agencies: a) comply with all Ministry policy directives; b) have boards and staff entirely or largely composed of Civil Servants.

The Alcoholism and Drug Addiction Research Foundation on the one hand and the Municipal Improvement Corporation on the other, serve as examples of an independent agency and a departmental agency. Most agencies, however, fall somewhere between these two poles. Each Ministry may relate to its own agencies in its own way, and even within a Ministry similar agencies may have, for no apparent reason, entirely different relationships with the Government. By way of illustration, three Parks Commissions report to the Ministry of Natural Resources: the St. Lawrence, the Niagara and the St. Clair. All share similar objectives, but maintain different relationships with the Government. Indeed, each appears in a different category in the Management Board's threefold classification system, which is based primarily on the degree of reliance on Government funding.

Such variation renders the rational management of agencies extremely difficult, either for a Ministry or for the Management Board. The need for a clear-cut, well coordinated policy on agencies becomes all the more important as the Government creates even more of them. In the last two years, for example, 31 new agencies have been created (some of these have been

Housing Authorities and Health Councils), while only 4 or 5 were terminated.

The Committee fully recognizes important advantages to carrying out certain functions by creating agencies. Yet the very proliferation of these agencies may offset these advantages. In particular, the flexibility which was hoped for by their creation may become rigidity and inefficiency when their numbers become so large that: a) huge amounts of public funds are being spent without proper accountability or control; b) decisions are being made by agencies which may run counter to overall Government policy; c) decision-making powers and policy delivery mechanisms are spread across so many organizations that policy becomes fragmented and the responsibility for it disjointed.

The Committee is accordingly of the opinion that it is time to step back and take stock of the situation. If the Government is to be effective, efficient and well in control of its administration, a clear policy on agencies must be formulated before any more are created. The Committee therefore recommends that:

1. There be a twelve month moratorium on the creation of new agencies, and that during that period Management Board, in concert with the Ministries, and using the Committee on Government Productivity's and the 1974 Management Board study's guidelines, should comprehensively review all agencies in Ontario with a view to rationalizing their structures and arriving at an explicit policy on agencies.

Appointments and Remuneration

The Committee found no consistent rationale for the number of members appointed to agencies. For example, the

Ontario Heritage Foundation, which is not an independent agency and has limited decision-making powers, has 30 members. Yet the Education Relations Commission, with approximately the same budget and an independent status, has only 5 members. To be sure, the different activities and responsibilities of these agencies may necessitate different size Boards, but no clear reason for such a significant difference was apparent to the Committee. Furthermore, the Management Board's suggestion that advisory agencies have only 6 to 8 members does not seem to have been acted upon. One of the less active advisory agencies which appeared before the Committee had 15 members.

Likewise, there seems to be no consistency in the remuneration granted the members of agencies. Of the 14 agencies reviewed by the Standing Procedural Affairs Committee, no two paid their members at the same rate. Members of one agency receive per diem payments of \$60, while members of another agency are paid over \$23,000 annually for meeting approximately 80 days a year. Therefore, the Committee recommends that:

2. Once a comprehensive review of Ontario's agencies is completed, guidelines for the number of members appointed to an agency and their remuneration be recommended by Management Board of Cabinet and subject to the approval of the Legislature.

Disclosure of Interest

Conflict and disclosure of interest problems permeate the operation of many agencies. Some agencies have addressed this problem by creating their own formal procedures, others have established informal mechanisms, and others have yet to consider the problem. The Committee therefore recommends that:

3. Management Board of Cabinet should establish general guidelines for disclosure of interest. Each agency should then produce its own explicit procedure for disclosure of interest, which should be submitted for approval by the Executive Council and tabled in the Legislature.

Written Policy Statements and Memoranda of Understanding

The 1974 Management Board study of Agencies, Boards and

Commissions recommended that:

- 2.2 A written policy statement should be drawn up for each agency defining its role, objectives, priorities and general mandate.
- 2.4 This policy statement should be prepared by the Minister and his staff after consultation with the agency.

Though these recommendations do not appear to have been acted upon, their importance is undiminished. An exercise of this nature would encourage both understanding and coordination between a Ministry and its agencies.

The Government has undertaken in the last year to establish memoranda of understanding between itself, or rather the parent Ministry, and its agencies. These memoranda outline in a clear manner guidelines for the operation of the agency and set out its relationship with the Government. Memoranda of Understanding will not be produced for all agencies but only those which apparently represent anomalous cases.

The Committee believes that a concerted effort should be made to think out and formally establish the precise relationship of agency to Ministry, and that the results should be important public documents. Accordingly, the Committee recommends that:

4. Recommendations 2.2 and 2.4 of the 1974 Management Board Study of Agencies, Boards and Commissions be implemented; and the resulting policy statement should be included in each agency's next annual report.
5. All existing Memoranda of Understanding should be tabled in the Legislature.

Annual Reports

If the Government, the Legislature and the electorate are to be aware of the activities of Government agencies, it is essential that they produce annual reports and that these reports are made public by being tabled in the Legislature.

In its review, the Committee encountered a host of annual reports; these reports vary widely in format and in information value. Some are highly informative and give a clear account of an agency's activities, while others are large and obviously costly but lacking in meaningful information. At the very least, all annual reports should contain mandate, organizational structure, a clear financial statement, a review and evaluation of the year's activities, and the goals and objectives for the coming year. The Committee therefore recommends that:

6. All agencies should table annual reports in the Legislature.
7. There should be a standard format for all annual reports, and this format be prepared by the Management Board of Cabinet.

The Committee encountered a good deal of difficulty understanding and comparing the financial statements of the various agencies. In order to provide the Legislature and

the public with an accurate and comprehensible financial picture, the Committee recommends that:

8. A standard accounting format should be established for agencies, and all expenditures and services provided to an agency by a Ministry or other agency should be charged back against the accounts of the agency.

Federal-Provincial Overlapping

Many of the agencies reviewed operate in fields in which the Federal Government is also involved. In each case the need for better intergovernmental coordination was clear. The Committee therefore recommends that:

9. In its review of agencies in Ontario, the Executive Council should examine federal-provincial overlapping with a view to improving coordination of federal and provincial interests.

The Legislature and the Review of Agencies

In view of the enormous amounts of public funds involved, the Committee was concerned that the Legislature have every available opportunity to review the operation of the agencies it has created. The Estimates process is often used in this way, but because of time constraints and other problems, scrutiny of agencies is usually conducted on an irregular basis. In order to ensure that a means for examining agencies' financial accounts be available, the Committee recommends that:

10. The expenditure of all agencies shall be subject to the review of the Public Accounts Committee of the Legislature.

Also, to aid the Legislature in its review of agencies during the Estimates, each Ministry should list the agencies falling under its authority in the Estimates books. At present, only a small minority of agencies are listed in the Estimates. Of the thirty-nine publicly funded agencies of the Ministry of Agriculture and Food, for example, only 5 appear in the Estimates books for 1978-79. The Committee therefore recommends that:

11. All agencies shall be listed in the Estimates books under their respective Ministries.

SPECIFIC RECOMMENDATIONS

Pesticides Advisory Committee

The Pesticides Advisory Committee was established under The Pesticides Act (RSO, 1970) and re-established under The Pesticides Act, 1973. The Committee has fourteen members, including four Civil Servants representing different Ministries. The Pesticides Advisory Committee performs three main functions: 1) advising and making recommendations to the Minister of the Environment in respect to pesticides in Ontario; 2) maintaining a research program by granting money for studies which meet the criteria set by the Committee; 3) classifying and re-classifying pesticide products into different schedules for safe handling and use.

Generally, the Pesticides Advisory Committee appears to be performing effectively. Its research and advisory functions should continue in their present form. However, where possible, operational functions, such as the classification of pesticides products, should be done within a Ministry.

Evidence suggests that the classification of pesticide products could be done within the Ministry of the Environment, employing its present capabilities. Therefore, the Committee recommends that;

12. The Pesticides Advisory Committee should continue its advisory and research functions. The Ministry of the Environment, however, should give consideration to assuming the responsibility for the classification of pesticide products.

Waste Management Advisory Board

This eleven member Board was authorized under The Environmental Protection Act, 1971, and created by Order in Council in 1975. The Waste Management Advisory Board has three primary functions: 1) advising the Minister of the Environment on issues related to the management of waste in Ontario; 2) granting money for research into studies designed to reduce waste or develop waste recovery systems (research is also done by the Board itself); 3) maintaining liaison with groups concerned with and involved in waste management.

Problems exhibited by other advisory agencies, such as potential conflict of interest, incompatible functions and imprecise mandates, are not evident in the Waste Management Advisory Board. This Board has specific objectives and clearly set out methods of achieving those objectives. However, it is the Committee's opinion that the Board should not only concentrate on solid waste management, but expand its operation to include liquid waste management. Therefore, the Committee recommends that:

13. The Waste Management Advisory Board should continue in its present form. The Ministry of the Environment should consider expansion of the Board's terms of reference to include liquid wastes.

Ontario Food Council

The Food Council was established in 1965 under The Ontario Producers, Processors, Distributors and Consumers Food Council Act, 1965. The Food Council was given the responsibilities of liaising with and investigating the agricultural industry, in addition to advising the Ministry on relevant matters. The operational functions which came under that Act are done by the Food Council Branch of the Ministry of Agriculture and Food.

The problems present in the operation of the Food Council stem, to a large extent, from its founding Act and mandate. To fulfil its liaison function, the Food Council must establish and maintain a cooperative and harmonious relationship with the agricultural industry. Alternatively, the Council, attempting to fulfil its investigative role, must oversee, be critical, and perhaps even intervene into the procedures and trade practices of the agriculture industry. These two functions are incompatible. Consequently, it is questionable whether both functions can be proficiently performed.

Moreover, within the Ministry of Agriculture and Food, there are other agencies whose functions sufficiently overlap those of the Food Council to render its operation at least partially superfluous. It is, therefore, the Committee's recommendation that:

14. The Ontario Food Council should be terminated.

Agricultural Research Institute

Though established under The Agricultural Research Institute of Ontario Act, 1962, with broad powers, the fifteen-member Agricultural Research Institute has developed into a solely advisory agency. The Institute reviews the Ministry of Agriculture's research program, with a view to offering suggestions on the future direction of that program, rather than administers it.

The Committee is of the opinion that the Institute should continue in its present form. Considering the relatively large membership of the Institute, and considering the varied needs of the different regions of Ontario, there should be a conscious effort to include representatives from all agricultural regions of the Province on the Institute. Therefore, the Committee recommends that:

15. The Agricultural Research Institute should continue in its present function, but the Ministry of Agriculture and Food should ensure that the Institute's Board contain representatives of all agricultural areas of the province.

Ontario Arts Council

The Council was created by An Act to Establish the Province of Ontario Council for the Arts, 1962-63. Employing differing mechanisms, the Council grants money to various groups and individuals to promote the arts in Ontario. The statute provides that the Arts Council will consist of 12 members.

The Arts Council is a provincial agency funded by Ontario tax dollars, whose objective is to promote the arts in Ontario. The money granted by the Council, then, should apply only to Ontario groups and residents.

In addition, the grants of the Council should not be, in any way, disruptive to, or adversely affecting, the goals and operations of other public organizations in Ontario.

Therefore, the Committee recommends that:

16. The Arts Council should discontinue the practice of granting money to individuals and groups outside of Ontario.
17. The Arts Council should discontinue the practice of granting money on a continuing basis to schools and school boards.

Ontario Heritage Foundation

The Heritage Foundation as it is now constituted was established by An Act to Provide for the Conservation, Protection and Preservation of the Heritage of Ontario, 1975.

The Foundation operates in four related areas: it makes grants to archaeological projects; it is involved in architectural conservation; it erects plaques at historic sites; and it maintains a trust fund for the acceptance of gifts, both money and property.

The Foundation appears to be performing effectively within its terms of reference. However, since major policy decisions are made by the Ministry of Culture and Recreation, and since the staff of the Foundation is Civil Servants, it does not have a large enough scope of decision-making power

to warrant a 30-member board. In addition, the membership of the Foundation should also represent regional interests. Therefore, the Committee recommends that:

18. The Ontario Heritage Foundation should be decreased to 14 or fewer members, and that the Ministry of Culture and Recreation should ensure that the Foundation contains representatives of all regions in Ontario.

Education Relations Commission

Created under The School Boards and Teachers Collective Negotiations Act, 1975, the Education Relations Commission was designed to be the body which would promote the settlement of contract disagreements between school trustees and teachers. The Commission has five members.

In the Committee's opinion, the Education Relations Commission is fulfilling its responsibilities in an efficient manner. Therefore, the Committee recommends that:

19. The Education Relations Commission should continue as an independent arbitral agency.

Farm Machinery Board

The Board was established by Order in Council in 1972 under the authority of An Act Respecting the Ministry of Agriculture and Food, R.S.O., 1970. This five member Board was created to facilitate the settlement of disputes involving farm machinery, its repair, maintenance and use.

The Farm Machinery Board's imprecise mandate and lack of any authority to realize its objective, have greatly hindered the operation of this agency. Not only was the initial effectiveness of the Board hampered, but in recent years its limited degree of success has declined. The Committee is of the opinion that a Farm Machinery Board can perform a useful and effective role if it is reconstituted. Therefore, the Committee recommends that:

20. The Farm Machinery Board should be reconstituted by statute and provided with greater authority by the Ministry of Agriculture and Food.

Land Compensation Board

This ten member quasi-judicial body was created under The Expropriations Act, 1968-69, on the recommendation of the McRuer Report. This independent tribunal arbitrates the amount of compensation in expropriation cases, where there is no agreement between the expropriated party and the expropriated authority.

In the opinion of the Standing Procedural Affairs Committee, the Land Compensation Board should continue in its present role, with two changes. First, it is not in keeping with the practices of other agencies in Ontario that non-specialized members of Boards should be paid an annual salary.

Secondly, under the present system, expropriated owners have very little or nothing to lose in monetary terms by appealing their cases; many cases which might have been, or should have been, settled at lower levels of negotiation eventually go to the Board. The awarding of costs structure should be changed to ensure only genuinely contentious and questionable cases proceed to the Board. Therefore, the Committee recommends that,

21. All future Land Compensation Board members, other than the Chairman and the Vice Chairmen, should be paid on a per diem basis.
22. The Government should introduce legislation amending the awarding of costs provision for the Land Compensation Board.

Milk Commission of Ontario

Under its founding Act, The Milk Act, 1965, the Commission was given numerous functions: advisory, liaison, research, inquiry and investigation, appeal and licence review. The appeal and licence review function appears to have become the Commission's primary responsibility.

The problems present in the operation of the Milk Commission stem from its founding Act. It was simply given too many functions to perform all of them proficiently. To compound the situation, some of those responsibilities were clearly incompatible with others. No agency should be given other functions if it is to serve as an appeal and licence review board. Furthermore, if an agency is to sit on appeals from Government decisions, it is essential that it be at "arm's-length" from the Government, which the Milk Commission is not. Therefore, the Committee recommends that:

23. The appeal and licence review functions of the Milk Commission be given to an independent agency and its residual functions be reviewed by the Ministry of Agriculture and Food to determine whether the Milk Commission should continue in operation.

Cream Producers' Marketing Board

This producer elected Marketing Board, authorized by regulation under The Milk Act, 1965, administers a supply management program for the approximately 2,400 farm-separated cream producers in Ontario. The administrative funds spent by the Board come from the licencing fee charged to the producers.

The Cream Producers' Marketing Board appears to be performing effectively. Therefore, the Committee recommends that:

24. The Cream Producers' Marketing Board should continue in its present form.

St. Lawrence Parks Commission

This Commission was founded under The St. Lawrence Parks Commission Act, 1955. The Commission administers 9,000 acres of parkland along the St. Lawrence for the Counties of Glengarry, Stormont, Dundas, Grenville, Leeds, Frontenac and Lennox and Addington. The Commission also operates two major historic sites: Upper Canada Village and Old Fort Henry.

The Committee's review of the St. Lawrence Parks Commission indicated that, within its mandate, this agency was performing effectively. However, because of its elongated shape, any further growth or extension of the St. Lawrence

Parks Commission would not be administratively rational nor of cost-benefit. Therefore, the Committee recommends that:

25. The St. Lawrence Parks Commission should continue in its present form.

Ontario Institute for Studies in Education

This agency is too large and varied, and the Committee's review too limited, to arrive at any definite conclusions about its operation. The Committee felt, however, that there is sufficient evidence to suggest that the Government undertake a comprehensive review of O.I.S.E.

There are two areas in particular which this review should examine. First, further consideration should be given to the possibility of amalgamating O.I.S.E. with the University of Toronto. This possibility may become increasingly desirable as school enrollments continue to decline.

Secondly, and more specifically, consideration should be given to whether or not the programs offered by O.I.S.E.'s regional offices can be done by other regional offices, such as those of the Ministry of Education, or by local institutions, such as Faculties of Education. Although the establishment of regional offices is certainly within O.I.S.E.'s mandate, their cost-benefit is questionable, particularly when these offices appear to be redundant, or at least parallel to, other regional resources which might be employed in the delivery of O.I.S.E.'s educational research program. Therefore, the Committee recommends that:

26. The Ministry of Education and the Ministry of Colleges and Universities should conduct a further review of the Ontario Institute for Studies in Education.

Alcoholism and Drug Addiction Research Foundation

Like O.I.S.E., this agency is also too large and complex to be evaluated conclusively after a short review. However, again, the Committee feels that a more comprehensive review should be done of this agency. This review should entail an examination of the following areas.

First, to what extent should the Foundation be a purely research body and to what extent should it act as a policy advisor to the Government? This is a dilemma which has evidently bothered the Foundation, and one which may have hindered the development and implementation of policy in this area by the Government. This dilemma could be partially resolved if the Foundation and the Government could agree to a written policy on the matter.

Secondly, some consideration should be given to recommending the appointment of one or two Civil Servants to the Board. This approach has been applied to the O.I.S.E. Board of Governors and has apparently worked well. It would promote better coordination and liaison between the Government and the Foundation, without adversely affecting the Foundation's needed independence.

Thirdly, if the Foundation is attempting to withdraw from the treatment area, as it stated, then the Clinical

Institute of the Foundation should be changed from a public hospital to a private hospital. If the Institute remains a public hospital, it would be most difficult for the Foundation to withdraw from treatment and the delivery of health care. Therefore, the Committee recommends that:

27. The Ministry of Health should conduct a further review of the Alcoholism and Drug Addiction Research Foundation.

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STANDING PROCEDURAL AFFAIRS COMMITTEE

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SECOND REPORT on AGENCIES, BOARDS AND COMMISSIONS

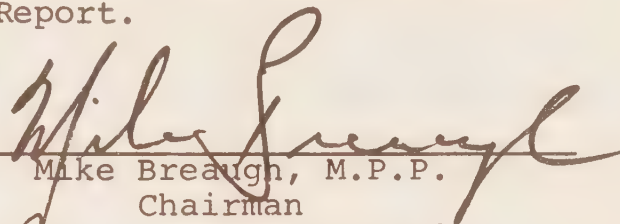
Tabled in the Legislative Assembly
by
Mike Breagh, MPP, Chairman
Third Session, 31st Parliament
28 Elizabeth II

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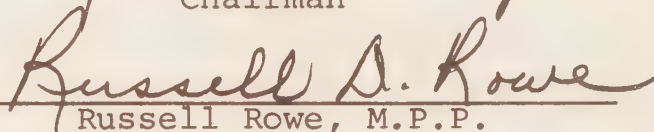
Honourable John Stokes, M.P.P.,
Speaker of the Legislative Assembly.

Dear Sir:

We, the undersigned members of the Standing Procedural Affairs Committee, having reviewed the operation of several Agencies, Boards and Commissions of the Government of Ontario, with a view to reducing possibly redundancy and overlapping, as ordered by the Legislative Assembly on June 28, 1977, have the honour to submit the attached Report.

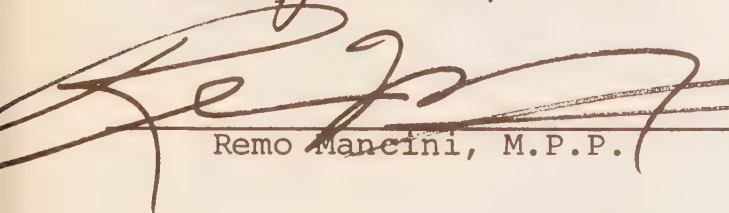

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THE STANDING PROCEDURAL AFFAIRS COMMITTEE

THE LEGISLATIVE ASSEMBLY OF ONTARIO

THIRD SESSION: THIRTY-FIRST PARLIAMENT

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support for the work of the agencies reviewed. Furthermore, it is worth noting that many of the problems identified by the Committee are beyond the agencies' control, for example, outdated provisions in the acts under which they operate.

The recommendations on specific agencies are directed towards administrative rationality and the reduction of redundancy as well as towards improved responsibility and accountability.

The Committee is pleased that the meetings held with representatives of the various agencies afforded them the opportunity to make their work better known and understood by Members of the Legislature and by the public.

This report is divided into three sections. The first contains the review of the six agencies; the second section is a follow-up on last year's recommendations; the final section evaluates the review process itself.

SPECIFIC RECOMMENDATIONS

Ontario Research Foundation

The Ontario Research Foundation was established in 1928 as a co-operative venture between government and industry. Operating under the 1944 Ontario Research Foundation Act, it employs nearly 350 persons and in 1978 had a budget of approximately 11 million dollars. The Foundation, an agency of the Ministry of Industry and Tourism, is located in Sheridan Park Research Community in Mississauga. The Ministry provides ORF with an unconditional grant, which was frozen in 1975 and which in 1978 amounted to 24 per cent of the Foundation's funding; the balance comes largely from research contracts.

The Act sets out the following as ORF's objectives:

- (a) the conservation, development and utilization of the natural resources of the Province;
- (b) the development and utilization of the by-products of any processes involving the treating or using of the mineral, timber or other resources of the Province;
- (c) the development and improvement of methods in the agricultural industry and the betterment, welfare and progress of farm life;
- (d) the mitigation and abolition of disease in animal or vegetable life and the control and destruction of insect or parasitic pests; and
- (e) the improvement and development of industrial materials, products and techniques.

Over the years, the Foundation has changed substantially, so that in a recent publication it presented its objectives in the following terms:

To contribute to the economic and social development of the Province by:

- (1) Performing scientific and engineering research of an applied nature in fields judged most likely to lead to the economic and social development of the Province.
- (2) Performing applied research, development and other scientific, engineering or technological services for industry and government, under contract, for fees.
- (3) Assessing and bringing to the attention of industry, and government, new scientific and technological concepts that have potential economic or social benefits for the Province.*

The bulk of ORF's activity is contract work for private industry. Many of the Foundation's contracts are with small companies with no research facilities of their own, but large corporations come to the ORF as well. One of the prime reasons for the Foundation's concentration on industrial contract research has been the creation by the Government of other research bodies in areas of the ORF's original mandate. By way of illustration, the Agricultural Research Institute now assumes responsibility for agricultural research, the promotion of which was one of the ORF's original objectives.

* Ontario Research Foundation, Ontario Research Foundation: What it is; Role-Markets-Future (1979), p.3.

Three years ago the Government commissioned an independent study of the Foundation. The recommendations of this report, commonly referred to as the Lapp study, aimed at some fundamental changes for ORF. The study maintained that the Foundation should move towards (or return to) being more clearly the 'research agency' of the Province of Ontario. It recommended that the Foundation should "initiate and perform ... research ... in fields most likely to lead to continuing economic and social progress of the Province". Another recommendation was that it should "accept research contracts from other sources ... where these contracts help ORF to improve its capability to meet the needs of the Province of Ontario". The Lapp report also suggested that the Foundation be brought more closely into contact with the Government, namely, the Ministry of Industry and Tourism and the Policy Secretariat for Resources Development. To create greater co-ordination, the study proposed that an ORF Research Project Advisory Committee be established within the Government; that there be closer liaison with the existing Advisory Committee on Scientific Policy; that the Deputy Ministers of Industry and Tourism and Resources Development sit on the Governing Board of the Foundation and function as Government representatives. The study also proposed an unfreezing of the performance grant.*

* Philip A. Lapp Limited: The Future Role of the Ontario Research Foundation (July, 1977), p. iii - vii.

Evaluation

The Ontario Research Foundation is a highly regarded agency which has successfully provided a useful function for many years. The following recommendations are premised on the view that due to changing circumstances both within and outside of Government, the Ontario Research Foundation should be somewhat realigned.

The Committee believes that Government Ministries should be making greater use of ORF services. It is indicative of the limited use being made of the Foundation that only 3% of its contract revenue comes from the Ontario Government, while 12% is derived from the federal government. Not only would more Government contracts give the Ontario Research Foundation the proper support it deserves as an agency of the Ontario Government, but it would help eliminate overlapping and paralleling. Though the present overlapping between Ministry research programs and the ORF is limited, it does not seem logical or cost-effective that Ministries develop facilities and expertise if they already exist at the Foundation.

The Committee understands that much of the specialized research carried out by the Ministries could not be done by ORF; moreover, the Committee has no intention of encouraging Ministries to generate research for ORF. However, there were indications that greater use of the Foundation by Ministries could lead to a reduction in the costly duplication of

research and research facilities.

Perhaps part of the reason for the limited use of ORF stems from a lack of co-ordination between the Government and this agency. More Government use of the Ontario Research Foundation will require more co-ordination. Accordingly, the Committee believes that a reasonable approach would be to adopt the recommendations of the Lapp Study for the creation of a Government-ORF projects advisory committee and the appointment to the Ontario Research Foundation Board of Governors of the Deputy Ministers of Industry and Tourism and of the Resources Development Secretariat. One caveat, however, must be entered. The Committee feels it essential that the primary role for an internal projects committee be co-ordination rather than the instigation of new projects.

The Committee has four further, more specific recommendations to offer. Under its founding Act, the Ontario Research Foundation is exempt from paying any tax authorized by the Legislature; for instance, it does not pay property tax. However, for reasons which are not clear, ORF has paid Ontario retail sales tax since the tax was first levied. The Foundation indicates that it feels legally obligated to pay, but it is clearly exempt from the tax. Last year the agency paid approximately \$200,000 in sales tax. The Ontario Research Foundation should stop paying sales tax; this would improve its financial position, which has been difficult since its performance grant was frozen in 1975.

This problem likely is due in part to the fact that The Ontario Research Foundation Act is so outdated that the Foundation rarely refers to it for direction. The Act is in need of substantial revision; among the particular areas identified by the Committee which should be examined in a revision are the ORF's objectives, its policy on patents and the need for its expropriation power.

The Ontario Research Foundation Act gives the Foundation the power of expropriation, albeit only with Cabinet approval. This power seems both unnecessary and unused. Another aspect of the Foundation's operation which seems in need of correction is the patent situation. At present, the patent on any development resulting from contracted research, even if it is an essentially unrelated spin-off of the original work, is held by the client who funded the work. Many patents which revert to the client are never developed further. The Foundation does not believe that the patent problem is a serious problem, but is reviewing it.

Finally, it seems somewhat inconsistent that an agency of the Ministry of Industry and Tourism does not have a formal "buy Ontario" or "buy Canadian" policy. The Foundation, in an informal manner, does attempt to follow that policy, but, a more formal policy might be beneficial. The Committee is also of the opinion that, more generally, a formal policy of "buy Canadian" be imposed on all Ontario

agencies by Management Board.

In sum, it is recommended:

1. That there be a concerted effort by the Government to make greater use of services offered by the Ontario Research Foundation.
2. That, as recommended in the Lapp Study, an internal Government-Ontario Research Foundation advisory committee be established and the Deputy Ministers of Industry and Tourism and the Resources Development Secretariat be appointed to the Ontario Research Foundation Board.
3. That the Ontario Research Foundation cease paying Ontario Retail Sales Tax.
4. That The Ontario Research Foundation Act (1944) be revised.
5. That the Ontario Research Foundation establish a formal "buy Canadian" policy.

Ontario Telephone Service Commission

The Ontario Telephone Service Commission was established by The Telephone Act in 1954 to replace the Ontario Municipal Board as the agency with regulatory oversight of the "independent" telephone companies. Its level of activity and its effectiveness have increased substantially in recent years.

"Independence", in reference to the 35 telephone systems which come under the jurisdiction of the Commission, means, in effect, those systems which are not owned or controlled by Bell Canada, which is federally incorporated and thus regulated by the Canadian Radio-Television and Telecommunications Commission. The systems vary in size from the Thunder Bay Telecommunications Company, with 88,000 telephones, to the Capital Telephone Company, with only 215 telephones. Collectively, these systems operate approximately 5% of the telephones in Ontario, generally in the rural areas of the province. Over the years technological change and the need for greater financial resources have brought about a substantial degree of consolidation in the ranks of the independent telephone companies (as late as 1960 they numbered nearly 400).

The Telephone Act does not set out the Commission's goals, but a 1977 Memorandum of Understanding with the Ministry of Transportation and Communications outlines them in the following terms:

- a) to assure adequate and economical telephone service for all residents of Ontario served by provincially regulated telephone systems;
- b) to promote diversity and innovation in telephone services;
- c) to assure that all telephone services are provided at just and reasonable rates;
- d) to assure that telephone systems are responsive to the public interest and to communications objectives of the Province of Ontario;
- e) to promote local and community participation in matters primarily affecting geographic communities; and
- f) to co-operate with regulatory bodies of other jurisdictions to co-ordinate the regulation of telephone services.

Although under its Act the Commission has the power to publish general regulations subject to Cabinet approval (Section 26), it has not done so since 1962. Rather, it hears applications on a company-by-company basis. In addition to such major matters as rate increases and sale or amalgamation of telephone companies, the Commission deals with applications covering a wide range of activities, many of which are of a routine administrative nature.

The Commission conducts its hearings and reviews in a quasi-judicial fashion. The minimum requirements of natural justice, such as notice, contained in The Statutory Powers Procedures Act, apply to its proceedings. Decisions (orders) of the Commission may be appealed to the Cabinet.

The Commission acts as more than just a quasi-judicial, regulatory body. The Commission is also concerned about the

overall efficiency of the telephone systems. For example, the Commission is undertaking to establish a uniform system of accounts which will give the "systems ... a specific set of accounting instructions which will enable them to effectively and efficiently measure their financial results and allow the Commission to make inter-company comparisons".

In addition, the Commission has a liaison function. It acts as the focus for the Government's liaison with private sector associations and regulatory bodies throughout Canada.

With respect to its regulatory powers and its public hearing processes, the Commission is relatively independent from the Ministry of Transportation and Communications; in its administrative functions, it enjoys less independence. The Commission is entirely funded through the Ministry (the 1978-79 budget was \$294,000) and in the past has seconded staff from Ministry. At present the staff complement is 7 persons in addition to a full time Chairman.

Evaluation

The first and most obvious point to be made regarding the Ontario Telephone Service Commission is that The Telephone Act needs revision. The situation has changed significantly since its enactment in 1954. At that time, there were hundreds of small independent systems; now there are only 35 companies which, on an average, are much larger than

their predecessors. In addition, telephone technology has changed enormously in the past two and a half decades. The Act should be brought in line with these changes.

It is the Committee's view that the review of the Act currently underway within the Ministry of Transportation and Communications should closely examine each section of the Act which obligates companies to apply for OTSC approval for some undertaking. The Commission itself believes that many of these provisions have become outdated and unnecessary. Furthermore, in considering this revision, it should be kept in mind that all of the independent systems are also regulated by other bodies or by legislation. Public utilities and municipally owned systems are responsible to their municipal councils. In the case of incorporated companies, they must fulfil the obligations of The Corporations Act, and thus fall under the oversight of the Ministry of Consumer and Commercial Relations. In short, considerable scope exists for deregulation without adversely affecting the Commission's mandate of ensuring that the independent telephone companies provide adequate, economical service to the public.

In areas in which the Ontario Telephone Service Commission retains regulatory power, however, the Committee feels strongly that its powers of enforcement should be strengthened. The current penalties for direct violation of a Commission order are too miniscule to have any impact

whatsoever.

On the question of the OTSC's need for general regulatory power, which has not been used since 1962, the Commission argued persuasively that important grounds exist for retaining this power and that a forthcoming set of regulations relating to a standardized accounting format will demonstrate this. Yet the question remains whether a body not directly accountable to the Legislature should possess such significant power. At a minimum, if OTSC retains its general regulatory power, the areas of jurisdiction under that power should be clearly defined and limited, so that the current power to pass regulations "respecting any matter necessary or advisable to carry out effectively the intent and purposes of this Act", be removed.

In conclusion, the Committee recognizes that the "natural monopoly" situation of telephone companies requires that the Ontario Telephone Service Commission should retain the ability to regulate rates and ensure that sufficient service is being provided to the public. However, the regulatory process should be clear and simple.

Therefore, it is recommended:

6. That The Telephone Act be revised so as to permit the Ontario Telephone Service Commission to keep pace with changes in the telephone industry, and so as to simplify the regulatory process.

Ontario Housing Corporation

The Ontario Housing Corporation was established by an Act of the Legislature in 1964, but its predecessors date from the 1940's. The Corporation is largely concerned with the administration and management of the province's substantial public housing program.

The overall range of OHC's activities, as well as its degree of involvement in actual program delivery has declined markedly since the early 1970's. Much of the day-to-day administration of public housing has been given over to Local Housing Authorities. Some 58 Authorities manage housing units in approximately 300 municipalities.

In addition to this devolution of responsibility to the local Housing Authorities, the scope of OHC was further reduced by the creation of the Ministry of Housing in 1973. During 1973 and 1974 the corporate, administrative and communications departments of OHC were transferred to the Housing Ministry. In 1977 the developmental and technical staff of OHC went over to the Ministry. In effect, the framework upon which the Ministry of Housing was built came from the transferred departments and personnel of OHC. During this period other developments decreased the agency's scope of activities. As part of its overall program, OHC had held a portfolio of mortgages. With the creation of the Ontario Mortgage

Corporation, these mortgages were transferred from OHC. Likewise, the titles to the development lands held by OHC have been recently transferred to the Ontario Land Corporation, another agency of the Ministry of Housing. Finally, in 1978 the non-profit student housing wing of the agency, Ontario Student Housing Corporation, was terminated by an Act of the Legislature.

The Ontario Housing Corporation's present functions fall into three broad categories. First, it retains the statutory responsibility for a number of Government housing programs under The Housing Development Act. Secondly, OHC acts as a budgetary control and operational monitoring agency for local Housing Authorities, and sets provincial guidelines. Thirdly, it maintains a property management division to manage directly those housing units not yet taken over by a Housing Authority. More than a thousand of OHC's total staff complement of nearly 1,300 are in the Metro Housing Operations Branch which manages the 33,000 units in Metropolitan Toronto.

In 1977, OHC's expenditures totalled just under 400 million dollars, but a substantial proportion of this represented charge-backs for work performed by Ministry of Housing staff. Approximately one-third of OHC's revenue comes from its rental properties, with the balance appropriated by the Assembly.

Evaluation

OHC has been in transition since the creation of the Ministry of Housing in 1973. Not only have many of the agency's administrative and support divisions been transferred to the Ministry, but its development lands and portfolio of mortgages have been given to the Ontario Land Corporation and the Ontario Mortgage Corporation. Changes in the housing market and in the Government's housing policy have also meant a declining role for OHC; many responsibilities which remain with the Corporation are carried out by the Ministry, which also sets basic policy. Nearly 90 per cent of the Corporation's current staff are employed in the management of public housing in Metropolitan Toronto and a few other municipalities which do not as yet have local housing authorities.

These changes have led to what appears to be an unnecessarily complicated and ultimately confusing situation, which may detract from accountability, program responsibility and administrative efficiency. Though OHC has served a useful function in an effective manner, present conditions suggest that a strong case can be made for the termination of the Corporation in its present form. The Committee believes that housing policy in Ontario would be more effectively administered by a single body, and that total amalgamation of Ontario Housing Corporation into the Ministry of Housing

would only serve to streamline operations. This amalgamation would of course need to be accompanied by a transfer of OHC's responsibility for administration of public housing in Toronto and elsewhere to local housing authorities. The Committee is aware that these changes could occasion some problems with respect to land ownership, but this does not seem a major stumbling block. The Committee is convinced that Ontario Housing Corporation's Board of Directors has played an invaluable role in the evaluation and determination of housing policy, and believes that the Board's important contribution should be retained by reconstituting it as an advisory agency.

The Committee therefore recommends:

7. That all of Ontario Housing Corporation's policy delivery and administrative functions should be transferred to the Ministry of Housing, and the Corporation's Board of Directors be reconstituted as an advisory agency.

Another issue related to the Ontario Housing Corporation deserves comment. The Committee feels that some of the secrecy surrounding the files of applicants who apply for assistance under various housing programs is unnecessary. While it is acceptable that applicants' files should remain confidential, there seems to be no valid reason why an applicant cannot see his or her own file. Likewise, it would be generally beneficial if OHC had a formal and publicly stated procedure indicating what information goes into an applicant's file.

Therefore, it is recommended:

8. That applicants be allowed access to their own files.
9. That there be a formal and publicly stated procedure outlining what information may be placed in an applicant's file.

Ontario Food Terminal

In 1946, The Ontario Food Terminal Act established this agency as a central wholesale market for fruits and vegetables. The need for such a market was clear, but no private interest seemed willing to provide such a service.

In order to ensure the success of this venture, section 12 of the Act granted the Terminal Board the power to approve or reject any new wholesale markets in York and Peel counties or any enlargement of an existing market. This section grants the Terminal an effective monopoly should it choose to exercise it; over the years some applications have been approved by the Board, but others have been rejected.

In 1954 a substantial building was erected on a 32 acre site on the Queensway in Metropolitan Toronto. In 1968 the Terminal Board acquired a 200 acre site in Vaughan Township for a new building. Despite growing pressure on the now somewhat outmoded facilities, the plans for construction and relocation remain uncertain.

The Terminal employs 35 full time personnel and 6 on a part time basis. It is entirely self-financing, with a budget in 1978 of slightly more than 1.5 million dollars; however, under section 6 of the Act, the Terminal's debentures are guaranteed by the Province.

The wholesale produce section of the Terminal contains 60 units or stalls comprised of loading platform, selling area and basement. These are leased, in effect for perpetuity, for \$350 or \$250 a month. The stalls have had 100% occupancy since the beginning of the Terminal's operation. There are 28 lessees; however, of the 60 units, almost half are leased by three companies.

Only buyers (including secondary wholesalers and retailers) may purchase produce from the Terminal wholesalers. Consumers may not buy at the Terminal. The wholesale section sells produce from Ontario and from other provinces but foreign produce is by far the largest component of this operation.

The Farmer's Market has 420 stalls, rented on an annual basis for \$225. Although stalls are leased to individual farmers, if they are not occupied by 6:30 a.m., they are rented out for the day for \$4.00 to any incoming farmer wishing to sell produce.

The Terminal has a large cold storage area for rent to growers and wholesalers. It also rents office space to produce firms, brokers, government officials and the like. Finally, the Terminal has a large facility for unloading refrigerated railway cars.

Evaluation

The operation of the Ontario Food Terminal has unquestionably

brought a desirable order into the wholesale fruit and vegetable market. The Committee is concerned, however, about certain aspects of the leases granted by the Terminal.

When the Terminal was built, to encourage full occupancy, the stalls (or units) were leased to wholesalers for, in effect, perpetuity, at a fixed rate of rent. At the time, this approach seemed quite justifiable, but serious difficulty has arisen. At present a lessee may be able to assign his lease for a substantial sum of money, although the new lessee continues to pay the same fixed rent. Granted, this reflects the equity and goodwill built up by the original lessee, and some equipment, but much of the price is the result of the effective monopoly situation created by the Act and the fixed leases. In essence, as a result of public legislation which has effectively restricted entry to this market, the lessees, who are of course private interests, are making windfall profits. Although the Terminal Board is aware of this and other lease related problems, as the Act is currently constituted, it is unable to take any effective action.

It is the Committee's view that Section 12 of the Act, which gives Ontario Food Terminal an effective monopoly, should be repealed. In the formative years such protection was clearly necessary, but its disadvantages may now outweigh its advantages. In addition, the Committee believes that the leases should be changed to eliminate their perpetuity and to restrict subleasing and assignment; this change

would likely require an amendment to the Act. The Committee is also concerned that no one interest be in a position to control a large proportion of the Terminal's units, and suggests that limits be imposed on the number of units any given wholesale interest may control.

It would appear that one of the causes for the long delay in establishing a new site for the Terminal is uncertainty as to the status of the leases in the event of a move. All told, then, the need for a full scale review of the Ontario Food Terminal Board's leases is very clear. Therefore, the Committee recommends:

10. That Section 12 of The Ontario Food Terminal Act be repealed.
11. That the Terminal's leases be altered to eliminate the effective granting of perpetuity and to place restrictions on the subleasing and the assignment of leases.
12. That a limit be placed on the number of units any one wholesale interest can control.

In that The Ontario Stock Yards Board Act and The Ontario Food Terminal Act are similar, with the operation of the Ontario Food Terminal based upon that of the Ontario Stock Yards, it is possible that comparable problems may have arisen at the Stock Yards Board.

Therefore, the Committee further recommends:

13. That the Ministry of Agriculture and Food review the Ontario Stock Yards Board for problems which this Committee has identified in the operation of the Ontario Food Terminal.

Finally, it is the Committee's view that the Ministry should give serious consideration to expanding the operations of the Board to other areas of the Province. The Committee notes, in this connection, that in the previous session a Private Member's Bill to extend the Food Terminal Board into Northern Ontario was given second reading in the House.

The Committee therefore recommends:

14. That the Ministry of Agriculture and Food consider expanding the Ontario Food Terminal Board into other areas of the province.

Ontario Council of Health

The Ontario Council of Health was established in 1966 by Order-in-Council and later confirmed in the 1972 Ministry of Health Act, section 8 of which provides:

It is the duty of the Council to advise the Minister on health matters and needs of the people of Ontario and to perform such other duties as are referred to it by the Minister.

The Council offers advice to the Government on a wide variety of health-related issues and it conducts, co-ordinates and publishes research relating to health policy. Studies undertaken by the Council may originate in a request from the Minister; they may be initiated by the Council itself or by an outside individual or group. The actual research is conducted by the Council, by outside research organizations under contract, or by the Policy Development and Research Branch of the Ministry of Health or research units of other Ministries. The Council also reviews for the Minister reports and submissions from other organizations.

The Council's 1979-80 budget was approximately \$444,000, all of which comes through the Ministry of Health appropriation. The Chairman and the seven employees are all civil servants; the 20 Member board represents a broad spectrum of Ontario society and ensure that the Council tenders the best possible advice and research without worrying about

how it will be received by the Ministry.

The work of the Council is widely respected. Moreover, the Ministry does not receive advice of a similar nature -- oriented towards long term health planning -- from any other source, nor does it seem likely that any organization could find itself in a position to offer the kind of advice and research service currently provided by the Ontario Council of Health.

One of the reasons for the Council's success has been its ability to adapt to the changing circumstances of Ontario's health care system. The Council has recently observed:

In looking toward the future, and particularly in view of the changing economic climate, the OCH proposes to review major thrusts and goals for the next decade, and some re-evaluation of the OCH's structure may be necessary.*

Evaluation

The Committee was impressed with the work done by the Council and with the outlook of its staff and management. Nonetheless, the changing nature of Ontario's health care system seems likely to require revisions to the Council's structure and goals so that it can respond effectively to

* Ontario Council of Health, The Ontario Council of Health 1966 to 1978 (November, 1978), p.9.

future needs.

The Committee shares the Council's view that the submission by OCH of a separate annual report to the Legislature would assist the Members and the public in understanding its work. The first such report would be an ideal vehicle for the Council to present an evaluation of its present and future roles as well as proposals for change.

The Committee therefore recommends:

15. That the Ontario Council of Health submit an annual report to the Legislature with the first report containing an outline of the Council's role and goals.

Ontario Municipal Board

One of the most important and powerful regulatory agencies in the province, the Ontario Municipal Board, has a well deserved reputation for fairness and excellence. As an independent administrative tribunal, the OMB's prime duty is to hear and to decide upon applications and appeals made under various statutes, mostly in regard to municipal matters.

The OMB's activities fall into four main categories:

1. Approval of municipalities' capital expenditures (OMB Act).
2. Review of assessment appeals (Assessment Act).
3. The approval of various matters falling under The Planning Act:
 - zoning by-laws
 - redevelopment plans
 - Committee of Adjustment appeals
 - official plans and amendments referred by Minister of Housing
4. Municipal boundary alterations (Municipal Act).

In addition, because the OMB has been designated as the adjudication body in many Acts, whose provisions may touch on municipal or land matters, it has many other duties. In 1968 the McRuer Report listed 30 statutes which gave the OMB over 240 functions, and even this list was incomplete.

The OMB has 28 Board Members and 67 employees. In 1978 the Board issued 8,423 orders and held 2,351 hearings

throughout the province. Approximately 90 per cent of its hearing time and 50 per cent of its administrative time is devoted to planning matters. Board expenditures for 1978-79 were slightly greater than \$2.5 million; approximately one-fifth of the Board's revenue was made up by various fees, with the balance covered by legislative appropriation through the Ministry of the Attorney General.

Evaluation

The OMB has been the subject of several thorough studies in recent years, including the Report of the Select Committee on the OMB (1972), several Ontario Economic Council reports and the recent White Paper on The Planning Act.

So far as this Committee is concerned, the most pressing problem is the length of time OMB proceedings consume. Clearly the greatest single cause of delay is the Board's workload and consequent backlog. Many of the recommendations of the White Paper are aimed at streamlining OMB procedures, for example by instituting a leave for appeal system to reduce so-called 'frivolous' appeals. Similarly, it is argued that the Board should not be empowered to overturn municipal decisions on the merits of a case. Not only would this substantially lighten the Board's workload, but it would also remove the problem of having an appointed body overturn the decisions of electorally accountable municipal councils on other than clearly defined legal grounds.

Yet the Committee is extremely concerned that such changes might inadvertently reduce or eliminate the prospects of legitimate appeals and grievances being fully and fairly heard. The Committee is therefore unable to offer a specific recommendation, but does wish to register its twin concerns that: 1) the Board is overburdened with unnecessary appeals, but that 2) the right of appeal is of fundamental importance and must be treated with extreme care.

Similarly, the Committee recognizes that the OMB's oversight of capital expenditures and decisions on municipal boundary adjustments are essentially administrative matters which could be handled effectively by the Ministry of Intergovernmental Affairs. However, on occasion, the issues raised in these are such that they are more appropriately decided by an independent tribunal like the OMB than by the Ministry.

RESPONSES TO 1978 REPORT

The Committee's first report on agencies, boards and commissions was debated in the House on December 7, 1978. With one amendment, the report's recommendations were adopted.

Although not all of the recommendations have been implemented by the Government, the Committee is generally pleased with the action taken in response to its first report. This section details these responses.

The report contained eleven general recommendations pertaining to the overall administration of agencies in the province of Ontario, and sixteen recommendations on particular agencies.

General Recommendations

1. Management Board, in concert with the Ministries, and using the Committee on Government Productivity's and the 1974 Management Board study's guidelines, should comprehensively review all agencies in Ontario with a view to rationalizing their structures and arriving at an explicit policy on agencies.
2. Once a comprehensive review of Ontario's agencies is completed, guidelines for the number of members appointed to an agency and their remuneration be recommended by Management Board of Cabinet and subject to the approval of the Legislature.
3. Management Board of Cabinet should establish general guidelines for disclosure of interest. Each agency should then produce its own explicit procedure for disclosure of interest, which should be submitted for approval by the Executive Council and tabled in the Legislature.

4. Recommendations 2.2 and 2.4 of the 1974 Management Board Study of Agencies, Boards and Commissions be implemented; and the resulting policy statement should be included in each agency's next annual report.
5. All existing Memoranda of Understanding should be tabled in the Legislature.
6. All agencies should table annual reports in the Legislature.
7. There should be a standard format for all annual reports, and this format be prepared by the Management Board of Cabinet.
8. A standard accounting format should be established for agencies, and all expenditures and services provided to an agency by a Ministry or other agency should be charged back against the accounts of the agency.
9. In its review of agencies in Ontario, the Executive Council should examine federal-provincial overlapping with a view to improving co-ordination of federal and provincial interests.
10. The expenditure of all agencies shall be subject to the review of the Public Accounts Committee of the Legislature.
11. All agencies shall be listed in the Estimates books under their respective Ministries.

On March 15, 1979, the Chairman of the Management Board of Cabinet made a statement to the House outlining the Government's response to these recommendations. The statement is reproduced here in full.

LEGISLATURE OF ONTARIO

THURSDAY, MARCH 15, 1979

The House met at 2 p.m.

Prayers.

ESTIMATES

Hon. Mr. McCague: I have a message from the Honourable the Administrator of the province signed by his own hand.

Mr. Speaker: By his own hand, the Honourable W. G. C. Howland, the Administrator of the province of Ontario, transmits estimates of certain sums required for the services of the province for the year ending March 31, 1980 and recommends them to the Legislative Assembly, Toronto, March 15, 1979.

STATEMENTS BY THE MINISTRY

GOVERNMENT AGENCIES, BOARDS AND COMMISSIONS

Hon. Mr. McCague: I would like to take this opportunity to report to the House on the steps that are being taken to implement the intent of the 11 general recommendations of the standing procedural affairs committee on agencies, boards and commissions.

Members will recall that on December 7, 1978 the House adopted the report of the committee with one amendment. The report included 27 recommendations, of which 11 were of general nature. The other 16 recommendations referred to agencies specifically reviewed by the committee. The responsible ministers will in due course respond to the specific recommendations where necessary.

Before dealing with the 11 general recommendations, I would like to make two preliminary points. In my statement in the House on December 7, 1978 I referred in some detail to the important work that has been undertaken by this government to ensure that its agencies are administered in an effective and an efficient manner. The results of that work have already satisfied some of the concerns of the procedural affairs committee.

Secondly, I should make it clear that the current activities of the agency review committee, chaired by my colleague the Minister without Portfolio (Mr. Wiseman), are also aimed at resolving some of the issues raised by the procedural affairs committee. It is

anticipated that the agency review committee will issue its next report in the late spring of this year.

Recommendation one was that Management Board should review agencies in order to rationalize structures and that there should be an explicit policy in agencies. As most members are aware, this is a policy in the government's manual of administration in which all agencies are allocated to schedules which delineate the applicability of financial and administrative controls. This policy, therefore, meets the committee's underlying concerns. The agency review committee will, however, review the need for any refinement of the policy and will report on this matter in its next report.

Recommendation two dealt with two issues, the first of which was the number of members that should be appointed to agencies. The agency review committee will review the need for guidelines on the number of members in its next report. The second issue referred to was the remuneration of appointees. As the members are aware, remuneration is already closely controlled by Management Board according to a policy which was tabled in the House in May 1978 by my predecessor, the present Minister of Energy and the Minister of Natural Resources (Mr. Auld). The policy is presently under review and the amended policy, when approved by Management Board, will also be tabled in this House.

Recommendation three referred to guidelines for the disclosure of interest of members. The committee is looking at that also.

Recommendation four, essentially, was that a written policy statement should be drawn up for each agency. Most agencies do, of course, have clear policy statements in their legislation or order in council, or in terms of reference prepared by the responsible minister. In addition, some agencies are required to prepare memorandum of understanding, each of which includes a detailed statement of the agency's role and objectives. The government certainly agrees with the intent of recommendation four, and accordingly Management Board will ensure that written terms of reference are prepared in each case where they do not now exist.

Recommendation five, that all memoranda of understanding should be tabled in the House, will be implemented as the memoranda are finalized and approved by cabinet.

Recommendation six suggested that all agencies would table annual reports in the Legislature. In the government's view it would be inappropriate for all agencies to table reports, given the fact that many bodies have no financial or administrative relationship with the province. In addition, some agencies are so small that preparing several reports would be administratively inefficient.

The government proposes, therefore, to meet the intent of the recommendation by including references in the appropriate ministry's annual report to all agencies, or groups of agencies, which have a financial or administrative relationship to the government and which do not now table reports. It is not proposed, therefore, to include those agencies, such as the Association of Professional Engineers of Ontario, which have no financial or administrative relationship with the province.

Recommendation seven discussed the content of annual reports. The agency review committee will review the need to stipulate minimum information and will report on the matter in its next report.

There are two parts to recommendation eight: firstly, that a standard accounting format should be established for agencies; and secondly, that all expenditures and services provided to an agency by a ministry should be charged back against the accounts of the agency.

As members will appreciate, one standard accounting format is not feasible, in view of the diverse nature of agencies. However, depending on the nature of each agency, its expenditures are required to be accounted for according to either government or commercial, generally accepted accounting principles.

To meet the intent of the second part, the following approach will be taken. All agencies will be listed in the appropriate ministry estimates briefing book provided to members during estimates debates commencing with the 1979-80 estimates. For information purposes only, estimated direct and indirect program-related costs from the consolidated revenue fund will be identified for each agency in the briefing books beginning immediately. In subsequent years, an assessment of actual expenditures for the previous year will also be included. This approach is the most efficient way of ensuring that members are provided with relevant cost information for those agencies receiving provincial

support, either in the form of money or services.

Nine referred to the need to improve co-ordination of federal and provincial interests. The government fully concurs with this sentiment and the recent creation of the Ministry of Intergovernmental Affairs, as well as the current deregulation initiatives, are evidence of our concern.

Recommendation 10 was that the expenditures of all agencies should be subject to the review of the public accounts committee of the Legislature. It is accepted that the public accounts committee should review an agency's expenditures where there is an immediate or potential financial relationship with the province. The committee, of course, already has this mandate and can review all expenditures by agencies from the consolidated revenue fund and the accounts of those self-financed bodies included in volume two of the public accounts committee; therefore, no action is required.

The final recommendation, number 11, requested that all agencies be listed in the estimates book, and this will be done.

In a letter dated October 18, 1979, the Chairman of the Management Board of Cabinet stated:

Recommendation 1 (as amended)

As mentioned in my statement to the House on March 15, 1979, the Government has had a policy for some time which allocates each agency to one of four schedules. These schedules delineate the applicability of the Government's various financial and administrative controls and stipulate which agencies require memoranda of understanding.

This policy has recently been reviewed and a slightly revised policy will be published in the Manual of Administration within the next few weeks. One feature of the revised policy will be that the requirement to prepare memoranda of understanding will be extended to all operational and regulatory agencies in Schedule I (approximately 90 agencies).

Recommendation 2

This recommendation dealt with the number and remuneration of members appointed to agencies. Both of these matters have now been reviewed. General guidelines for the number of members will shortly be published in the Manual of Administration. As you are aware, the remuneration of members has been closely controlled by Management Board in accordance with an existing policy. This remuneration policy has also been reviewed recently and a slightly revised version will be published shortly in the Manual of Administration.

Recommendation 3

Recommendation 3 referred to guidelines for the disclosure of interests of members. You will appreciate that this is a particularly complex issue and, as I mentioned in my statement in the House, it has been referred to the Agencies Review Committee for further study. Although considerable analysis has been undertaken, the Government is still reviewing the various alternatives.

Recommendation 4

I stated in March that most agencies already had clear policy statements. Ministries have been asked to rectify any deficiencies and to ensure that this situation is maintained. Management Board will ensure that each new agency is provided with clear terms of reference when it is established.

Recommendation 5

Memoranda of Understanding will be tabled by the responsible Ministers in the Legislature when they are completed. I expect that several will be tabled during the current session.

Recommendation 6

I explained at some length in my statement in March the steps that the Government has initiated to meet the intent of the recommendation. Essentially, Ministries have been requested to ensure that those agencies which do not table their own reports, but have a financial or administrative relationship with the Government, are referred to in their parent Ministry's annual report.

Recommendation 7

In view of the widely varying nature of agencies, it is impracticable to develop a standard format for all annual reports. However, Ministries were asked, in conjunction with Recommendation 6, to ensure that certain minimum information, such as terms of reference and a summary of year's activities, is provided for each of the agencies reported on in the parent Ministry's annual report.

Recommendation 8

There are two parts to Recommendation 8. With respect to the first part, I indicated in March that depending on the nature of the agency, its expenditures are required to be accounted for according to either Government or commercial generally accepted accounting principles. With respect to the second part of the recommendation, Ministries have been requested to include pertinent information in their Estimates briefing books which are provided to

Recommendation 8 (continued)

Members during Estimates debates. In addition to listing agencies, Ministries were requested to provide an estimate of program related expenses from the Consolidated Revenue Fund for each agency. As I mentioned in my statement to the House, this approach is the most efficient way of meeting the intent of the recommendation and providing members with relevant cost information for these agencies (or groups of agencies) which receive Provincial support.

Recommendations 9 and 10

As I stated in March, no action is required in respect to these recommendations.

Recommendation 11

A listing of agencies is to be provided in the Ministries' Estimates briefing books in accordance with the response to Recommendation 8.

Comment

With respect to the first part of Recommendation 8, the Committee's aim was to "provide the Legislature and the public with an accurate and comprehensible financial picture" of each agency. This naturally entails, in the words of the Minister, that "expenditures are to be accounted for according to either Government or commercial generally accepted accounting principles", yet the Committee remains concerned that agency finances be presented in a straightforward fashion, comprehensible to those without a background in accounting. In short, the Committee is interested in simple, understandable financial information in addition to the formal audit statements.

In addition, while the Committee welcomes greater detail on agencies in the Ministries' briefing books in response to Recommendation 11, the limited distribution enjoyed by these documents presents problems. It was the Committee's hope that this recommendation would lead to simple entries (for the most part, only a single line) in the main estimates books indicating the amount of money allocated to each agency.

Specific Recommendations

12. The Pesticides Advisory Committee should continue its advisory and research functions. The Ministry of the Environment, however, should give consideration to assuming the responsibility for the classification of pesticide products.
13. The Waste Management Advisory Board should continue in its present form. The Ministry of the Environment should consider expansion of the Board's terms of reference to include liquid wastes.

As of November 22, 1979, the Committee had not received a reply from the Ministry of the Environment outlining the Ministry's response to these recommendations.

14. The Ontario Food Council should be terminated.

Section 17 of The Ministry of Agriculture and Food Statute Law Amendment and Repeal Act, proclaimed January 31, 1979, repealed The Ontario Producers, Processers, Distributors and Consumers Food Council Act, thereby terminating the Ontario Food Council.

15. The Agricultural Research Institute should continue in its present function, but the Ministry of Agriculture and Food should ensure that the Institute's Board contain representatives of all agricultural areas of the province.

In a letter dated September 26, 1979, the Minister of Agriculture and Food stated:

I wish to advise you that new appointments to the Agricultural Research Institute of Ontario will take into consideration the agricultural producing areas in the Province.

16. The Arts Council should discontinue the practice of granting money to individuals and groups outside of Ontario.
17. The Arts Council should discontinue the practice of granting money on a continuing basis to schools and school boards.

In a letter dated November 1, 1979, the Executive Director of the Arts Council stated:

May I report that Council carefully considered these recommendations and concluded that, on Recommendation No. 16, the Council wishes to continue its policy of very limited granting to individuals outside of Ontario. Council notes that in only two out of its some 70 granting programs is this practice followed: a) in bursaries to Ontario Students attending the National Theatre School in Montreal; and b) in grants to a few writers presently resident in other parts of Canada but connected with and serving the Ontario publishing industry.

We feel sure the Committee would not wish to suggest the withdrawal of assistance to deserving Ontario students attending the National Theatre School; virtually every province provides this type of assistance to its students attending the Theatre School.

Addressing the question of assistance to writers resident outside the province, the Council feels that its position is a reasonable one, since these grants are recommended to Council by Ontario publishers who have developed a relationship with these Canadian authors and, to some extent, rely on them to provide the new writing upon which the publishing industry is dependent for survival.

We would note again that perhaps 90% of English-language book publishing is concentrated in Ontario and Ontario citizens benefit immeasurably by this concentration.

Council permits no more than 10% of the grants to writers to go to authors resident in other parts of Canada and feels this is not an unreasonable proportion; particularly when these grants can be regarded as "research and development" assistance to Ontario publishers for the development of their product.

I might note that to date this year, a total of \$82,326. has been awarded in both bursaries to Theatre School students and grants to authors outside of Ontario. This represents .8% of our total grants of more than \$9,600,000 so far this year.

On Recommendation No. 17, Council considers that there has been a misunderstanding of Council's Creative Artists in Schools program; a misunderstanding that may inadvertently have been fostered by the manner in which these grants are listed in our annual reports.

Council does not, in fact, grant "money on a continuing basis to any schools and school boards". The grants under this program are awarded directly to artists who have been commissioned to carry out projects with children in the province's elementary and secondary schools. Under the terms of this program, the schools or school boards are required to contribute from their own revenues to an amount of 25% of the artist's fees, which is then matched by the Council's grant of up to 75%. In addition, the schools are required to provide basic supplies and amenities necessary to the project.

In a handful of cases, fees to artists for participation in Canada Day and similar programs may be channelled through schools or school boards.

18. The Ontario Heritage Foundation should be decreased to 14 or fewer members, and that the Ministry of Culture and Recreation should ensure that the Foundation contains representatives of all regions in Ontario.

In a letter dated September 5, 1979, the Minister of Culture and Recreation stated:

I am pleased to report that it is our intention to reduce the number of directors on the Board of the Ontario Heritage Foundation and we have already gone some way to this end.

I believe when representatives of the Foundation appeared before your Committee in September, 1978, reference was made to the 30 directors of the Foundation. Since then, the number of directors has been reduced to twenty-four.

The Foundation functions through a fairly well-developed committee system, which depends for its strength upon a blending of representative opinion and expertise in the specialized fields of archaeology, architectural conservation, history and trust management. The changes to this modus operandi implied in a smaller board of directors would cause hardship to the Foundation if effected too quickly. As well, your Committee's concern for representation from all regions in Ontario must be borne in mind together with the need for the balance between men and women directors. There continues to be good representation from all regions within the smaller number of directors at present, although, unfortunately, the number of female directors was reduced by half when appointments which expired during this last year were not renewed or replaced. Such anomalies may exist in the short run as a consequence of circumstances.

20. The Farm Machinery Board should be reconstituted by statute and provided with greater authority by the Ministry of Agriculture and Food.

In a letter dated September 17, 1979, the Minister of Agriculture and Food stated:

Concerning recommendation No. 20, the Farm Machinery Board has been reconstituted. Ten members have been appointed by Ministerial order, including six producers representing the geographic areas of farming in Ontario and three industry executives representing manufacturers, distributors and dealers of farm machinery. This reconstituted Board has met three times in order to develop for farm machinery dealers and distributors, a certification program. This voluntary program will identify dealers who offer standard purchase contracts, minimum warranties and parts service. The program is expected to be initiated this fall.

Expanded membership of the Farm Machinery Board assures a better opportunity to meet two other objectives;

- to investigate and mediate disputes involving complaints of farmers against manufacturers, distributors or dealers.
 - to encourage and conduct an educational program concerning farm machinery.
21. All future Land Compensation Board members, other than the Chairman and the Vice Chairmen, should be paid on a per diem basis.
 22. The Government should introduce legislation amending the awarding of costs provision for the Land Compensation Board.

In a letter dated September 19, 1979, the Attorney General stated:

I am pleased to advise that the Government has already implemented the first recommendation as it does not require any legislative change. However, the second recommendation will require legislative change and therefore will be given careful consideration during the general review of the entire Expropriations Act, which is presently underway.

23. The appeal and licence review functions of the Milk Commission be given to an independent agency and its residual functions be reviewed by the Ministry of Agriculture and Food to determine whether the Milk Commission should continued in operation.

Section 12 of The Ministry of Agriculture and Food Statute Law Amendment and Repeal Act, proclaimed January 31, 1979, provides that appeals from decisions of the Milk Commission will be heard by the Agricultural Licensing and Registration Review Board.

26. The Ministry of Education and the Ministry of Colleges and Universities should conduct a further review of the Ontario Institute for Studies in Education.

In a letter dated October 1, 1979, the Minister of Education and of Colleges and Universities stated:

Thank you for your letter of August 20, 1979 respecting the Ministries' progress in the matter of a "further review of the Ontario Institute for Studies in Education".

Considerable work has been done by the two Ministries to effect such a review. The areas to be covered in the review have been planned and the steps necessary to obtain the required information for the review have been determined. We are proposing to use the regional offices of the Ministry for some of the information collection, particularly data on the use of OISE services by school boards and their comments on these services. An information request has been forwarded to OISE to obtain factual information relating to the organization as well as outlines of rationale and reasons, as perceived by that organization, for certain policies and programs.

An analysis of the liaison function between the Ministries and OISE has been completed and will soon be considered. The results of this will also form part of the review.

The Ministries are proceeding expeditiously with the review of the Institute and no undue delay is anticipated.

27. The Ministry of Health should conduct a further review of the Alcoholism and Drug Addiction Research Foundation.

In a letter dated October 2, 1979, the Minister of Health stated:

I note that among the report's recommendations was one that my Ministry should conduct a further review of the Alcoholism and Drug Addiction Research Foundation. However, Dr. Macdonald, President of the Foundation, advises me that between 1963 and 1978, twenty reviews of this organization, both internal and external, have already taken place. A list of these reviews is attached. Dr. Macdonald has agreed to provide you with further information regarding the action taken on recommendations resulting from these reviews. In addition, I understand that the Foundation is preparing for an external audit of its entire research program in 1980 under the auspices of the Ontario Council of Health. This audit will be the second quinquennial scientific audit and the reviewers will all be international experts from outside Canada.

It would seem therefore that an additional review of this Foundation would perhaps not be very beneficial at this time. If indeed there are any specific concerns with respect to the operation of the Foundation, I would be pleased to see that these items are addressed as part of the review in 1980.

Recommendations 19, 24 and 25 required no response:

19. The Education Relations Commission should continue as an independent arbitral agency.
24. The Cream Producers' Marketing Board should continue in its present form.
25. The St. Lawrence Parks Commission should continue in its present form.

THE REVIEW PROCESS

The Committee has reflected on the effectiveness of its agency reviews. The Committee is under no illusions that, with its limited resources and time, it can thoroughly evaluate any agency, let alone one as large as the OMB or the OISE. Yet the Committee is convinced that it is imperative that the myriad agencies of the Ontario Government be subject to some form of legislative review; it remains true that, in the words of the Ontario Commission on the Legislature, the Assembly must "take a greater responsibility towards what it has itself created."

If the Committee's review of agencies has not been as thorough-going as might be wished, it has been valuable in two respects. First, it has given the Members of the Committee an opportunity to learn about the work of a score of the Province's agencies. Secondly, it has brought to the fore a number of issues on which the need for change, for an in-depth reevaluation, was quite clear. The lease situation at the Ontario Food Terminal is an apt illustration. The Committee has no doubt that, in conjunction with the general recommendations it tendered last year on agencies, its specific recommendations on particular agencies have been very worthwhile.

The real question is whether another more effective and appropriate mechanism for agency reviews might not be found.

Although no problems have yet arisen, the Committee is concerned that if it continues to review agencies, this could conflict with or detract from its fundamental role of considering the Assembly's rules and practices and examining matters of privilege.

The Committee has considered the following options:

1. Continued review by the Procedural Affairs Committee:

The Committee's terms of reference direct it to select for review such agencies as it wishes. The Committee could, in a given year, select no agencies or only one or two, as seem appropriate. This possibility does have a serious drawback, however: The Committee recognizes that staff research is essential for any effective review and that this research requires considerable lead time, so that the flexibility implied in the Committee's terms of reference is more apparent than real.

This problem aside, there is an argument that the Committee performs its most valuable service to the Legislature by reviewing relatively small agencies, which are rarely, if ever, examined by the House or its Committees. Even if this course of action were adopted, an expansion of the Committee's terms of reference would probably be warranted. The Committee is currently restricted to the examination of agencies which submit an annual report to the Legislature; the number of such agencies which seem

worth reviewing is becoming rather limited.

Another possibility is that the Committee focus any future reviews not so much on particular agencies, but on themes. By way of illustration, over the past two years the Committee has been struck by the Byzantine maze of agencies which conduct, contract for or advise upon "research"; a full-scale review of overlapping and redundancy in this area might prove a very useful exercise.

2. Establish a Standing Committee whose only function would be to review agencies:

This is clearly an ideal solution, yet one which is quite impractical given the current overburdening of the Committee system.

3. Transfer of agency review to the Public Accounts Committee:

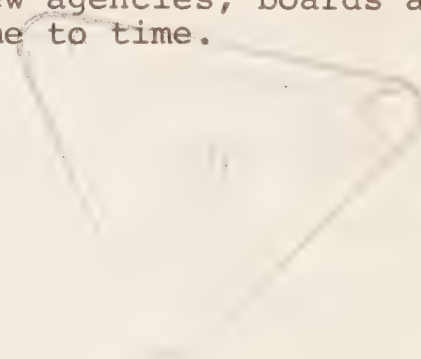
The review of agencies for overlapping and redundancy is not so far removed from the review of the province's public accounts. The major difficulty with this approach is that, with upwards of \$14 billion of public spending to review, the Public Accounts Committee already has a very full plate indeed.

4. Reliance on other Standing Committees for agency review:

In terms of familiarity with the subject matter of the agencies, it would make sense for the policy field

committees to review agencies falling under their aegis, either during estimates debates or by use of Standing Order 33 (b) to refer annual reports of agencies to committee. The difficulty, of course, is that the policy field committees are already so busy that it is unrealistic to expect them to find additional time to add agency reviews to their schedule.

On balance, the Committee recommends:

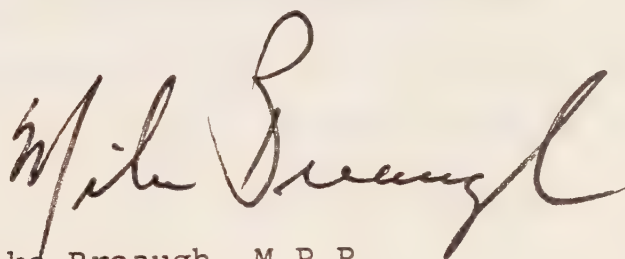
16. That the Standing Procedural Affairs Committee continue to review agencies, boards and commissions from time to time.
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The Honourable John E. Stokes, M.P.P.,
Speaker of the Legislative Assembly

Sir,

Your Standing Procedural Affairs Committee has the
honour to present its Third Report on Agencies,
Boards and Commissions, and commends it to the House.

A handwritten signature in dark ink, appearing to read "Mike Breugh". The signature is fluid and cursive, with a large initial "M" and a long, sweeping tail that extends to the right.

Mike Breugh, M.P.P.
Chairman

November, 1980

THE STANDING PROCEDURAL AFFAIRS COMMITTEE

THE LEGISLATIVE ASSEMBLY OF ONTARIO

FOURTH SESSION: THIRTY-FIRST PARLIAMENT

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INTRODUCTION

With this report, the Standing Procedural Affairs Committee has completed its third review of agencies, boards and commissions of the Ontario Government. This year's review was conducted under a revised order of reference given the Committee by the Legislative Assembly. In previous years, the Committee had been restricted to review those agencies that tabled an annual report in the Legislature. A sizeable number of agencies were, consequently, left outside the review process. As of 10 June, 1980, the revised terms of reference give the Standing Procedural Affairs Committee the 'power to review the operation of all Boards, Agencies and Commissions to which the Lieutenant Governor in Council makes some or all the appointments and all corporations in which the Crown in right of Ontario is a majority shareholder'. (For full text of the revised terms of reference see Appendix A).

Under the revised terms of reference, the Committee reviewed the following agencies:

- The Ontario Educational Communications Authority
- The Ontario Lottery Corporation
- The Board of Ophthalmic Dispensers
- The Ontario Labour Relations Board
- The Ontario Northland Transportation Commission
- The Liquor Control Board of Ontario

Another change introduced this year by the Committee was the extension of invitations to those groups and associations that either appear in a representative capacity before a particular agency or have a recognized interest in the activities of the agency. Such groups were asked either to send written submissions, or if they wished, were accorded an appearance before the Committee. (See Appendix B for list of such groups). On the whole, the Committee felt the participation of such groups and associations in the review process extended the Committee's perspective on each agency and provided a forum for discussion between the elected representatives, the agency, and the affected or interested public that the Committee feels promotes the accountability of Ontario's agencies in the public interest. If there is a drawback to including groups in the review process, it is that the overall thrust of the review may shift from a review of the operations and administration of each agency to a review of policy as established by Government or by the Ministry responsible.

The Committee would like to thank the management and staff of each agency for their co-operation during the research and hearing phases of the review.

Ontario Educational Communications Authority

Created in 1971, the Ontario Educational Communications Authority has the following as its goals:

To utilize electronic and associated media to provide educational opportunities for all people in Ontario where the use of such media will complement the educational opportunities being offered by other agencies, or, alternatively will provide educational opportunities not otherwise available to such persons; and, further, to co-operate with other organizations in attaining social and educational goals. 1

In seeking to fulfil these goals, the Authority has developed programming in four sectors: 1) programs directed at pre-school children, 2) programs directed at elementary and secondary schools as well as colleges and universities, 3) programs directed at family viewing and special interests, and finally, 4) programs that seek to introduce children to the French language.

The Authority's programs are distributed through its own broadcast network, supplemented by cable systems, microwave and satellites. Although 85% of the population of Ontario is reached this way, some regions of Ontario are without a direct broadcast signal - in particular areas of northern Ontario and southeastern Ontario.

1 Ontario Educational Communications Authority, Policy History - 1965 to 1979, June, 1979, p.59.

Funding for the Authority's operations come from two principal sources - the Ministry of Culture and Recreation and the Ministry of Education. In addition, the Government of Ontario provides capital grants for the building of transmitters and equipment purchases. In the year 1979-80 grants from the two ministries came to over \$20 million dollars. However, this overall sum in relative terms was slightly less than the rate of inflation. Government grants amounted to 83% of the Authority's operating budget, with the remaining 17% coming from the sale of programs and from other sources.

Recommendations

While the Committee was generally satisfied with the Authority's performance with respect to the quality of its programs, it did question whether some programs, those directed at family viewing and special interests, tended to emphasize entertainment values over and above educational values. The Committee did not wish to enter into a philosophical discussion over what constitutes educational programming, but did express the view that the Authority keep to its mandate of providing programs that are not only educational but also distinctly different from what was being offered on commercial stations.

Funding, by the Authority's own admission, constitutes

the Authority's major concern for the future. Inflation has increased the costs of producing new programs, and after ten years of operation the Authority's equipment is out of date. While the Authority expects continued Government support in the form of grants, it recognizes that such support cannot reasonably be expected to exceed the rate of inflation, given the need for restraint by all Government agencies. The Committee concurs with the Authority in its desire to expand its funding base by seeking support in the private sector.

Therefore, it is recommended:

1. That the Ontario Educational Communications Authority continue to actively pursue alternative funding sources, in particular, funding from the private sector.

Concurrently, the Committee strongly feels that the Authority could substantially increase its sales revenue.

2. That the Ontario Educational Communications Authority adopt more aggressive marketing strategies for the sale of its programs.

In view of the Authority's mandate to serve all the people of Ontario, the Committee feels that the present coverage of OECA reaching 85% of the population should be extended so that as close to 100% of the population as possible is covered by the Authority's broadcast network.

The Committee was also concerned that the large population centered in and around the City of Windsor has

difficulty receiving a clear broadcast signal from the transmitter in that locality, and felt that the individual taxpayers in that area deserved better service.

3. That the Ontario Educational Communications Authority seek the necessary capital funds to extend broadcast service to such areas as eastern Ontario, northern Ontario, and improve service in the Windsor area.

The Committee was made aware that the Authority, contrary to accepted accounting practices prevailing within the Ontario Government, has adopted its own accounting format that does not provide a breakdown of expenditures according to standard categories. The Authority's format does not provide sufficient information by which Members of the Legislature can compare the expenditures of the Authority with other agencies of the Ontario Government. In line with the Committee's first report, the following recommendation is made:

4. That the Ontario Educational Communications Authority adopt a standard accounting format, similar to that found in other Government Departments and agencies, when presenting the Authority's annual report.

The Ontario Lottery Corporation

The principal motive for the creation of the Lottery Corporation was to generate revenue for the Ontario Government by tapping the discretionary income of consumers. That Ontario entered the field in 1975 was due to the fact that not only were there foreign lotteries operating in Ontario, but also several levels of government in Canada had entered the field or were considering entering the field. There was, therefore, the prospect that substantial sums of money had and would continue to leave the province.

Under The Lottery Corporation Act, 1975, the profits accruing to the Corporation are to be paid into the Consolidated Revenue Fund to be used 'for the promotion and development of physical fitness, sports, recreational and cultural activities and facilities'. While the profits from Wintario and Lottario continue to be earmarked for the above activities, only money from Wintario has in fact been expended. Money arising from the Provincial game, which is actually a game of the Inter-Provincial Lottery Corporation, has been set aside by Order-in-Council for health (including health related environmental) and social service projects. Although the proceeds of the Super-Loto game, another game of the

Inter-Provincial Lottery Corporation, for which the Ontario Lottery Corporation acts as its Ontario agent, will be dedicated to hospital capital projects, authorization for such allocation has not, as of this writing, received Cabinet approval.

The Lottery Corporation is an independent agency with a Board of Directors consisting of nine Government-appointed members to whom is given the statutory responsibility of managing and controlling the affairs of the Corporation. The Board includes a Chairman and a Vice-Chairman and a majority of the members constitute a quorum of the Board. The day-to-day administration of the Corporation is under the direction of the Managing Director. He oversees the operation divisions of the Corporation, which include: Distribution and Sales, Draws, Community Relations and Advertising, Internal Audit Operations and, finally, the Prize Office. In the period 1978-79, there were approximately 130 employees, including three consultants.

External to the corporate structure, there is a network of distributors and retailers of lottery tickets. In the period 1978-79, there were 22,000 retailers and 46 distributors. Under the regulations of the Act, the Lottery Corporation has the authority to set the rate

for commissions for retailers and distributors without Government approval.

The Lottery Corporation is a financially self-supporting agency which covers its operating and administrative expenditures from the proceeds that arise from the sale of lottery tickets. For the year 1980-81, the Corporation expects total net profits of approximately \$105-110 Million. The Corporation, it would be fair to say, has one single purpose and that is to do all it can to maximize revenues.

Recommendations

The Committee in reviewing the Lottery Corporation was struck by the fact that the Corporation in pursuing its goal of maximizing revenues may have gone beyond the initial purpose of the Corporation, which was to provide an Ontario alternative to foreign and other Canadian lotteries. The latter, it was feared, would draw money away from Ontario for the benefit of other jurisdictions. A lottery game in Ontario, it was believed, would end that drain. In a sense the Ontario Lottery Corporation had a defensive purpose. The Committee has the strong impression that the defensive posture has been exchanged for an offensive one. In pursuing its aggressive market strategy, the Corporation naturally places emphasis on advertising the entertainment values of its games in order

to make the participation by consumers as pleasurable as possible. The Committee is of the opinion that this type of aggressive marketing may instill socially detrimental values in the Lottery Corporation's players. The Committee frankly wonders whether the Corporation is not subtly promoting a gambling ethic, and raises the question of whether governments should be participants to such promotion.

5. That the Lottery Corporation review its aggressive marketing policy to determine whether it is in the public interest, that once this review has been completed, the Ministry of Culture and Recreation table the review in the Legislature.

At the same time, the Committee seriously questions whether the Lottery Corporation should in the future contemplate the addition of other lottery games, including daily games.

It is, therefore, recommended:

6. That the Lottery Corporation place a moratorium on the proliferation of its lottery games.

Under the regulations of the Act, the Lottery Corporation is free to determine and set the rate for commissions for distributors and retailers of lottery tickets. While the Committee recognizes that distributors are entitled to a fair return for their efforts,

it questions whether the net average income for distributors of \$46,000 is not excessive.

7. The Lottery Corporation should make a determination whether the rate on commissions for distributors leads to excessive net profits for distributors.

In the course of the Committee's review of the allocation of the Lottery Corporation's proceeds, information was provided to the Committee which raised questions as to whether the original guidelines for the allocation of revenue from the Provincial game were being scrupulously followed. The Committee recognizes that under The Lottery Corporation Act, the allocation of lottery funds lies outside the Corporation's mandate. In fact, the responsibility for the allocation of such funds is divided between Management Board and the individual ministries that are the recipients of The Provincial proceeds as set down by Orders-in-Council. The Committee believes that Management Board should continue to accept the principal responsibility for formulating the guidelines for the allocation of those lottery funds whose allocation is designated by Order-in-Council. The Committee, however, strongly feels that all guidelines dealing with the allocation of lottery funds be made part of the public record.

It is, therefore, recommended:

8. That Management Board of Cabinet table in the Legislature any guidelines it has or will devise or any guidelines of the recipient ministries, with respect to the allocation of lottery funds.

The Board of Ophthalmic Dispensers

The Board of Ophthalmic Dispensers was created in 1961 under The Ophthalmic Dispensers Act, and was given the responsibility of registering ophthalmic dispensers or opticians in the Province of Ontario. In addition, the Board was given responsibility for the provision of educational training of prospective opticians and regulating the professional conduct of registered opticians. The Board, however, does not have authority to interfere with the commercial operations of optical outlets or to control the manufacture, production or distribution of optical goods and appliances, nor does it have authority to control the prices that may be charged for such goods or the fees that may be paid for services rendered.

The Board is composed of 10 members appointed by the Lieutenant Governor in Council (Cabinet). In addition, there are two office staff, two inspectors, 12 examiners, and the Board retains an outside accounting firm and legal counsel.

As a regulatory agency, the Board of Ophthalmic Dispensers ensures that only qualified individuals are registered and therefore allowed to practice ophthalmic dispensing in Ontario. The latest count indicates that there are some 1,100 registered ophthalmic dispensers and 75 students

registered in ophthalmic dispensing courses.

All expenditures of the Board are covered by the revenue generated by the payment of fees. The fee schedule at present is \$100 for registration and \$100 for renewal of registration, but rises to \$150 if re-registration is late. In 1979 the Board collected \$107,455 in fees.

The Board exercises its educational function by providing correspondence courses and by arranging for and approving courses in ophthalmic dispensing at educational institutions. Since 1976, such courses have been offered at Georgian College of Applied Arts and Technology, and since 1979 at Seneca College of Applied Arts and Technology. Under the proposed revised regulations of the Board, the continuing educational upgrading of opticians will become a condition of re-registration.

The Board has been empowered to suspend or revoke the certificate of registration of an optician if he or she is found guilty of unprofessional conduct as defined by the regulations, or of incompetence, fraud or misrepresentation. Under the proposed revised regulations, the scope of what constitutes unprofessional conduct has been greatly enlarged as compared to the existing Ontario Regulation 650.

Recommendations

In assessing the Board and its activities, the

Committee takes note that the Board has been aware of and recognizes the need for changes in its operational procedures and practices. The Committee supports the Board's initiative in revising its internal by-laws and in seeking approval for a revised set of regulations. Pursuant to these contemplated and pending changes, the Committee wishes to draw attention to a number of matters that need to be addressed by the Board and the Ministry of Health.

The Committee feels that given the designations 'optician' and 'ophthalmic dispenser' are used interchangeably in the Act and that 'optician' is a more widely recognized term, the title of the Act should be changed to reflect this common usage.

9. That The Ophthalmic Dispensers Act be changed to The Opticians Act.

A more substantive problem centers on contact lens fitting. While the Act suggests that opticians can fit contact lenses, the Committee was impressed by the evidence that indicated that such fitting involves medical considerations beyond the capabilities of opticians. Nevertheless, opticians do fit contact lenses and provision exists within the Board's internal by-laws, rather than in the regulations, for the voluntary certification of ophthalmic dispensers as contact lens fitters. The fact that this

certification process is voluntary and is not approved in the regulations suggests that the Board itself is unclear as to whether opticians should practise this procedure.

10. That the Ministry of Health make a clear determination as to who - ophthalmologists, optometrists or opticians - should be made responsible for the fitting of contact lenses. Once the determination is made, it should be reflected in the Act and in the regulations.

In 1974, The Health Disciplines Act was passed and it brought a number of prominent health related professions under one Act and made the Minister of Health responsible for the administration of the Act and for maintaining an oversight function with respect to each of the professions. The Act was designed so that, at any future time, other health related professions could be incorporated within the Act. The Committee believes that consideration should be given to the inclusion of the Board of Ophthalmic Dispensers within The Health Disciplines Act. The Committee considers that the existing relationship of accountability between the Board and the Ministry falls short of the relationship of accountability that exists between the various colleges of dentistry, medicine, pharmacy, nursing and optometry, as this relationship is established under The Health Disciplines Act. The Committee, however, is aware

that significant differences exist between these professions and opticians. The above mentioned professions provide a specialized professional service based on an appropriate standard of qualifications. While it is true that the Board of Ophthalmic Dispensers also establishes a licensing scheme of registering only qualified opticians, the latter are not only providing a service but are also selling a product. It can be argued that opticians are closer to being commercial entrepreneurs than to being para-medical professionals. This fact makes the opticians' inclusion in The Health Disciplines Act problematic, given that the commercial aspects of an optician's endeavours lie outside the Ministry of Health's purview and are governed by federal and provincial legislation that deals with the regulation of commercial activity. Nevertheless, the Committee feels that opticians, to the extent that they perform para-medical services, could be included within the scope of The Health Disciplines Act.

11. That the Council of Health undertake a study to determine the appropriateness of including the Board of Ophthalmic Dispensers within the scope of The Health Disciplines Act.

In the process of considering the above recommendation, the Committee believes the Ministry of Health and the Board

of Ophthalmic Dispensers should take the opportunity of reviewing the provisions of the Act with a view to clarifying ambiguous sections, in particular, Sections 13, 19(a) and 21.

More specifically, Section 13 fails to make clear whether in dispensing duplications, replacements, reproductions or repetitions of an ophthalmic appliance, an optician can only dispense an appliance based on the original prescription or whether the optician can alter the original prescription to suit the actual requirements of the customer. As for Section 19(a), it is not clear from the wording of this section whether 'in charge of the practice or of an optical department; means that an optical department only requires one optician, irrespective of the qualifications of others dispensing eyeglasses, to be able to practise ophthalmic dispensing. Section 21 is ambiguous to the extent that it talks about spectacles or eyeglasses without specifying whether such spectacles or eyeglasses are prescription or non-prescription.

The Committee in its first report raised for Government consideration the question of whether it was not advisable to implement conflict of interest guidelines to apply to the agencies, boards and commissions of the

the Ontario Government. The fact that a serious conflict of interest problem exists with the Board of Ophthalmic Dispensers, as with some other agencies, suggests to the Committee that the whole question requires serious consideration. It is on this basis that, later in the report, the Committee makes a general recommendation that conflict of interest legislation be introduced to apply to all agencies, Boards and Commissions of the Ontario Government.

Ontario Labour Relations Board

The Labour Relations Act, 1970, as amended 1975, created a quasi-judicial administrative tribunal with a mandate to regulate labour relations in the Province of Ontario. The Board is composed of a Chairman, Alternate Chairman, 12 part time and full time Vice-Chairmen, and 28 part time and full time members (or sidesmen, as they are called), selected on the basis of an equal number of employer and employee representatives. All are appointed by the Lieutenant Governor in Council (Cabinet).

At the administrative level, the Board has been reorganized several times in the last few years. At the moment, the Board's day-to-day operations are supervised by the Chairman and the Registrar, with the assistance of the Alternate Chairman, Senior Labour Relations Officer and the Chief of Program Development. The Senior Solicitor heads the legal staff.

Although the Board's operating revenues came from a separate yearly legislative appropriation, the Ministry of Labour provides services in ADP, Research, Personnel and Finance that are not charged back to the Board, as was recommended by this Committee in its first report. Consequently, the Board's expenditures, which for 1980-81

are estimated at \$2,918,200, do not accurately reflect the Board's budgetary outlays. Of the above amount, \$2,404,500 is in the salaries and benefits category and the staff number is approximately 63.

At the adjudicative level, the Board has been given power to sit as two or more divisions or panels, provided a quorum is present. Under the Act, one such division must be the construction industry division. In recent years, the Board has been sitting on as many as six divisions across the province. These divisions or panels consist of a neutral Chairman or Vice-Chairman, an employer representative and an employee representative. This composition constitutes a quorum and is sufficient to exercise the powers of the Board.

At the legislative level, the Board, subject to limitations imposed by The Labour Relations Act, has the power to determine its own practices and procedures. This power affords the Board the opportunity to evolve its own methods of processing applications and hearing the evidence from the parties to a dispute. In a labour relations setting, where disputes not only have economic but social and psychological implications, much is to be gained by avoiding overly legalistic practices and procedures that can create sometimes intense adversarial conditions. Moreover, the Board must be sensitive and

respond flexibly to changes in the nature and character of the workforce.

Recommendations

The Committee, in reviewing the work of the Board and in hearing from those who have appeared before the Board, was made aware of a number of issues that it feels require further consideration.

Given that panels of three, one Chairman and two sidesmen, decide cases brought before the Board, sidesmen play a crucial role in the adjudicative process. The Committee recognizes that their sensitivity to the issues involved in a given case depends in no small measure on the experience they bring to the Board as that experience relates to a particular work sector. With the increased unionization of what are called 'white collar' workers, notably professional or paraprofessionals, and with the influx of women into the workforce, there is a need for sidesmen to be sensitive to the labour relations concerns of these groups.

12. That the appointment of sidesmen to the Board be made so as to reflect the labour relations concerns of the newer category of workers that come within the scope of the Act, and also the increasing number of women in the labour force. While it is recognized that the Cabinet has the ultimate responsibility for appointments, the Board could facilitate the selection process by making appropriate recommendations.

Perhaps an often overlooked aspect of the labour relations process is when individual workers seek some remedy from the Board without the benefit of someone expert in labour relations law or practice. In such instances, even the simple act of filling out forms will present difficulties if such forms are overly complicated or use difficult legal language. Nor should it be forgotten that the Ontario labour force includes a significant proportion of immigrants for whom English is not a first language. Recognizing these factors, the Committee believes the Board should make every reasonable attempt to accommodate these concerns, realizing that the initiative from the Board must reflect the legitimate criticisms of any complainants.

13. That the Board create simplified forms in both French and English, and in other languages.

The Committee has come to recognize that any review of the agencies of the Ontario Government will involve substantive policy questions whose resolution cannot be addressed by the agency reviewed but must be referred to the Ministry responsible. Thus, in the case of the Ontario Labour Relations Board, the revising or amending of the Act is not within the purview of the Board itself. Recognizing this, the Committee expressed concern that the present procedures with respect to the certification process are not entirely adequate.

Ontario Northland Transportation Commission

The Ontario Northland Transportation Commission has been an integral part of the development and, in the early years, the settlement of northeastern Ontario since the enactment of The Temiskaming and Northern Ontario Railway Act in 1902. Since then, the Commission has grown and changed. After the Second World War it not only acquired its present title, but also an extended mandate that saw the Commission's operations grow to include services in transportation, principally rail, air, water and highway, in telecommunications and in tourism. In all, some 12 operations are listed in the Commission's 1979 annual report.

Of these 12 operations, eight saw a year-end deficit for 1979. The total revenue for those 12 operations came to \$67 Million, while the total expenditures amounted to \$70 Million. In addition, \$7 Million had to be paid on other charges. Only after federal and provincial subsidies were added, in the sum of \$14 Million, did the Commission show a net income of over \$3 Million.

Leaving aside subsidies provided by the federal

government, those provided by the Province are directed at those operations which have been designated as being non-commercial in a Memorandum of Understanding between the Ministry of Northern Affairs and the Commission. Commercial operations, on the other hand, are expected to be self-financing. On the basis of this division of the Commission's operations, 5 operations are designated as non-commercial as well as certain services within the rail operations, principally the Cochrane-North Bay passenger service (Moosonee Branch services), the Timmins-Toronto Northlander service and the Noranda passenger service. The latter two services are also subsidized by the federal government. The Commercial operations include the express and freight rail services, telecommunications, bus services, North Bay marine services, Moosonee marine services, transport services (Star Transfer trucking) and tourist facilities at Hannah Bay.

Recommendations

In reviewing the revenues and expenditures of the Commission, the Committee was unable to gain a clear picture of what was being subsidized or the scope of subsidization. The Commission's financial statements, as presented in its annual report and in its submission to the Committee, present a variety of figures and calculations which suggest that all the operations of the Commission, including the commercial operations, are being

subsidized.

14. That the Commission in its financial statements clearly delineate those operations which are non-commercial and therefore subject to subsidization and those that are commercial and not subject to subsidization, and, in addition, the Commission set out the rationale for this division.

The Committee also failed to appreciate the rationale for assessing some operations with payments with respect to the unfunded liability of the Commission Contributory Pension Fund and not others.

15. That the Commission establish a clear policy regarding the unfunded liabilities of the Commission's Contributory Pension Fund.

In the course of the review, the Committee was made aware that the Commission had recommended that its subsidiary trucking company, Star Transfer, be sold. Over a number of years the company has incurred financial deficits owing to a combination of competition from private carriers, debt charged on the company's Toronto terminal, and increased operating costs. Pursuant to the Commission's decision, the Ministry of Northern Affairs has initiated a review of Star Transfer aimed at determining whether Star Transfer should be sold, what the impact of the sale would be for its customers in Northern Ontario, and whether alternative courses of action are available that could lead to the reorganization of the company and place it in a more favourable

financial position.

16. The Committee recommends that the sale of Star Transfer not proceed until all alternative courses of action have been considered and evaluated, including the study that is being undertaken by the Ministry of Northern Affairs.

Liquor Control Board of Ontario

The present Liquor Control Act (1975) dates from 1927 and gives the Liquor Control Board the sole authority to sell alcoholic beverages and to control their distribution in Ontario. In addition to these functions, the Board has an overall objective of raising revenue for the Government. The Board also has been given some responsibility in protecting the economic viability of Ontario's grape-growing and wine-making industries, through its pricing policies and distribution system.

Although The Liquor Control Act establishes a reporting relationship between the Board and the Treasurer, a more detailed description of these relationships is contained in the Board's Memorandum of Understanding with the Minister. The Memorandum stipulates that while the formal relationship between the Board and the Minister continues, policy-making responsibilities are divided between the Minister and Treasurer. The Minister has responsibility for changes in the role of the Board and for approving any regulations; the Treasurer, on the other hand, has responsibility for markup changes, pricing policies and procedures and other policies that may affect revenue.

The accountability of the Board is maintained by the Board being required to submit a monthly management report on operations to the Minister and the Deputy Minister. Moreover, the Board must submit quarterly reports to the Minister outlining actual profit performance with explanations of any variances. Financial results and net profit projections are referred to the Minister and Treasurer.

The Board also performs several regulatory functions that include monitoring the quality of alcoholic beverages and regulating the importation, blending and use of imported wine by Ontario wineries. From the perspective of a revenue-generating enterprise, the Board has had considerable success over the years. It has provided the Treasury with a steady source of revenue, though the Board's contribution to the Government's overall revenues has declined from a high of 19% in 1946 to under 3% in 1979. In dollar terms, the Board realized over \$1 Billion in gross sales and transferred over \$400 Million to the Treasury. On the basis of these figures, the Board ranks first in sales and revenue in North America.

Recommendations

The Committee was made aware that the hiring practices of the Liquor Control Board do not always strictly

conform with the practices and procedures laid down by the Civil Service Commission. The Committee was made to understand that in some cases, when hiring temporary staff, for instance, local liquor store managers have been given considerable discretion in choosing prospective employees. Such discretion may permit the manager to adopt a policy of favouritism. The Committee strongly believes that such favouritism has no place in the hiring practices of Government agencies.

17. That the Liquor Control Board of Ontario keep strictly to the hiring procedures and policies endorsed by the Civil Service Commission.

Finally, the Committee would like to draw attention to the fact that some misunderstanding exists as to the precise nature of the Liquor Control Board's function within the Government's scheme of priorities. It is becoming clear that over the years the Board's main function has become less the matter of controlling liquor consumption in Ontario or even the provision of a specialized product and more the generation of revenue for Government purposes. Thus, while formally the Board is within the purview of the Minister of Consumer and Commercial Relations, it is in fact the Treasurer who determines the pricing policy for the Board, and the Treasurer by the use of his markup

policies has introduced a form of taxation on the sale of liquor.

With these considerations in mind, the Committee believes that the Government should make explicit the Board's primary function - revenue generation - and in the process assign to the Minister of Revenue responsibility for the Board. If, as the Committee believes, the markup policies of the Treasurer constitute a form of taxation, the public has a right to know on what basis and on what calculations the Treasurer establishes his markup policies.

It is, therefore, recommended:

18. That the Liquor Control Board be transferred to the responsibility of the Minister of Revenue and that the Treasurer table in the Legislature the criteria and the calculations which he uses to establish his markups on the sale of liquor in Ontario.

GENERAL RECOMMENDATIONS

This year, as in previous years, the Committee in its review of the agencies of the Ontario Government has discerned that a number of agencies are not entirely clear as to how they should proceed with conflict of interest rules. Because agencies have varying 'arms-length' relationships with Ontario Government ministries, conflict of interest rules that may be appropriate for civil servants may not be appropriate for 'independent' agencies. The Committee is persuaded that there is a need for an all-embracing general statute applicable to agencies that clearly and concisely establishes general rules for all agencies, but permits each agency to develop and refine those rules to suit the individual circumstances of each agency. The Committee is impressed by the recommendations of the Association of Municipalities of Ontario with respect to revising and amending The Municipal Conflict of Interest Act, 1972, and commends the Association's report of 1979 as a starting point for devising legislation for agencies.

19. That the Management Board of Cabinet should introduce legislation establishing rules governing conflict of interest with respect to all agencies, boards and commissions of the Ontario Government.

Another matter to which the Committee has given consideration is the manner by which appointments to agencies, boards and commissions are made. It is customary, in most instances, that such appointments are made by Order-in-Council, that is, by the Cabinet. While the appointments are made public once the decision has been made, the selection process is confidential and largely hidden from public view. Under the existing procedures and practices, the Government is the sole arbiter of deciding whether any given appointment is in the public interest. Given our responsible form of government, the Cabinet must accept responsibility for the choices it makes. The Committee fully accepts this principle. However, the Committee is of the strong opinion that the selection process could be improved. Its recommendations, it believes, would strengthen the principle of Cabinet responsibility and would enhance openness and democratic accountability. The Committee recommends that the selection process be made more open and competitive, to allow all segments of the Ontario public the opportunity of applying for membership to the various Ontario agencies, boards and commissions.

It is recommended:

19. That openings for membership to the Boards of Ontario agencies, boards and commissions be advertised in The Ontario Gazette.

Believing that Cabinet should have the responsibility for making the final selection of appointments, the Committee recommends:

20. That Management Board of Cabinet be made responsible for processing the applications before sending them to Cabinet on the basis of established criteria.

To ensure that a measure of equity is part of the selection process, the Committee believes that Management Board should keep annual statistics on appointments. Such statistics would indicate the number of total applications, regional breakdowns, etc., and would also contain statistics that would show the following:

- number of applicants nominated by Government Members
- number of applicants nominated by Opposition Members
- number of applicants nominated by Board Members
- number of applicants unnominated
- number of applicants nominated by interest groups

These statistics would be matched with those that would show the successful applicants in each category.

It is recommended:

21. That Management Board keep statistics on the selection process and that these be tabled in the Legislature annually.

RESPONSES TO 1979 REPORT

In the Committee's Second Report, specific recommendations were made relating to the following agencies:

Ontario Research Foundation
Ontario Telephone Service Commission
Ontario Housing Corporation
Ontario Food Terminal
Ontario Council of Health
Ontario Municipal Board

Responses to these recommendations by the Ministers responsible came in two forms. On 24 April, 1980, when the Second Report of the Committee was debated in the Legislature on a motion to adopt the report, the Ministers responsible indicated what action they were going to take on each of the recommendations. Subsequent to the debate, the Ministers were asked if they wished to add or supplement the responses they made on 24 April. What follows is a summary of the various Ministers' responses to the recommendations of the Second Report.

With respect to the Ontario Research Foundation, the Minister of Industry and Tourism, in a letter dated 25 September, 1980, stated the following:

Recommendation No. 1

That there be a concerted effort by the Government to make greater use of services offered by the Ontario Research Foundation.

In broad measure this is being done both by officials of the Ministry and by the Staff of Ontario Research. This has increased the contract work carried out for this Government during the past three years. Currently about 4% of ORF's income arises from contracts with this Government compared to 3% in 1977.

However, this increase is not as much as the Committee or I would like. Mr. Red Wilson, Deputy Minister of this Ministry, has discussed this particular recommendation of the Standing Procedural Affairs Committee with Mr. Gerry Raymond, Chairman of the Advisory Committee on Science Policy, and with Mr. Bob Butler, Secretary of the Management Board of Cabinet, with a view to encouraging greater use of ORF by other Ministries. ... I am hopeful that the results that both the Standing Procedural Affairs Committee and I desire will ultimately be achieved.

Recommendation No. 2

That, as recommended in the Lapp Study, an internal Government-Ontario Research Foundation advisory committee be established and the Deputy Ministers of Industry and Tourism and the Resources Development Secretariat be appointed to the Ontario Research Foundation Board.

While the Minister indicated that he had 'no serious objection to this recommendation', he did state that 'It is debatable whether representation ex officio on the Board of Ontario Research by the Deputy Ministers of Industry and Tourism and Resources Development Secretariat would actually provide greater co-ordination between the Government and ORF, as the Committee's report indicates'.

Recommendation No. 3

That the Ontario Research Foundation cease paying Ontario Retail Sales Tax.

(This recommendation by the Committee has been deemed unnecessary since last year's review).

Recommendation No. 4

That The Research Foundation Act, 1944, be revised.

It is quite evident the objects should be revised so that they are more in keeping with ORF's current activities. In addition, it would be advisable to drop the power of expropriation from the Act. I feel that these changes, while advisable, are in essence minor and not urgent. ... However, these changes will be effected at the earliest appropriate opportunity.

Recommendation No. 5

That the Ontario Research Foundation establish a formal 'Buy Canadian' policy.

The Ontario Research Foundation has put into effect in its own procurement of goods and services the Ontario Government Policy on Canadian preferences.

It should also be noted that in response to the Committee's suggestion, the Ministry's grant to the Foundation has been 'unfrozen', and for the year 1980-81 has increased by 12% to \$4,178.00. The Ministry has also improved the Foundation's liaison with the Ministry by having the President of the ORF sit as a full-time member on the Ministry's Policy

Committee.

Recommendation No. 6

That The Telephone Act be revised so as to permit the Ontario Telephone Service Commission to keep pace with changes in the telephone industry and so as to simplify the regulatory process.

On 24 April during the legislative debate, the Minister of Transportation and Communications indicated his agreement with this recommendation, and cited his own initiatives in revising The Telephone Act, 1954.

Recommendation No. 7

That all of Ontario Housing Corporation's policy delivery and administrative functions should be transferred to the Ministry of Housing, and the Corporation's Board of Directors be reconstituted as an advisory agency.

During the same debate, the Minister of Housing indicated that his Ministry was moving to implement the Committee's suggestions, but he was not prepared to disband the Ontario Housing Corporation at this time. The Minister, however, made no comment with respect to the Committee's two other recommendations, namely:

8. That applicants be allowed access to their own files.
9. That there be a formal and publicly stated procedure outlining what information may be placed in an applicant's file.

The response of the Ministry of Agriculture and Food indicated that the Minister was not prepared to adopt the Committee's recommendations at this time. These recommendations consisted of the following:

10. That Section 12 of The Ontario Food Terminal Act be repealed.
11. That the Terminal's leases be altered to eliminate the effective granting of perpetuity and to place restrictions on the subleasing and the assignment of leases.
12. That a limit be placed on the number of units any one wholesale interest can control.
13. That the Ministry of Agriculture and Food review the Ontario Stock Yards Board for problems which this Committee has identified in the operation of the Ontario Food Terminal.
14. That the Ministry of Agriculture and Food consider expanding the Ontario Food Terminal Board into other areas of the province.

The Ministry of Health did not make a response to the Committee recommendation concerning the Council of Health.

15. That the Ontario Council of Health submit an annual report to the Legislature with the first report containing an outline of the Council's role and goals.

While the Committee made no explicit recommendations with respect to the Ontario Municipal Board, it did express concern over the matter of unnecessary appeals overburdening the Board. In a letter dated 26 August, 1980, the Attorney General stated that since

April of 1980, 'the Board's application fee on Land Division Committee and Committee of Adjustment appeals was increased from \$25.00 to \$75.00. The intent of this increase was to discourage frivolous appeals. However, it is too early to assess whether the impact of the rate increase will have the desired effect'.

The Attorney General further stated that -

Also, the Board has in its recent decisions made a greater use of its authority to award costs on these appeals. While the basis of such rewards is generally considered to be one of compensation and not of deterrence, it is thought that a person would consider the possibility of costs being awarded against him in deciding to proceed with an unnecessary or frivolous appeal.

Finally, the Ministry is presently considering whether or not a requirement that before proceeding with such an appeal, the applicant first would have to obtain leave to appeal, would have an impact on the volume of Land Division Committee and Committee of Adjustment matters.

APPENDIX A

STANDING PROCEDURAL AFFAIRS COMMITTEE

Terms of Reference

As ordered by the House June 28, 1977, and amended June 10, 1980:

Ordered That the Standing Procedural Affairs Committee be appointed for this Parliament. The said Committee shall review and report to the House its observations and opinions on the operation of the Standing and Provisional Orders of the House, and such additional matters as may be referred to it by the House or by Mr. Speaker from time to time, and that the Committee also have power to review the operation of all Boards, Agencies and Commissions to which the Lieutenant Governor in Council makes some or all of the appointments, and all corporations in which the Crown in right of Ontario is a majority shareholder. Such reviews shall be made with a view to reducing possible redundancy and overlapping.

The Committee shall review the eight points in the first paragraph 29 of the Second Interim Report of the Fourth and Fifth Reports of the Commission on the Legislature respecting proposed powers of committees.

The Committee shall be composed of 8 Members, as follows, with no substitution in membership:

Breaugh, Charlton, Davidson (Cambridge), Mancini, Rotenberg, Rowe, Ruston, Sterling.

The Committee shall be empowered to send for persons, papers, and things, pursuant to Section 35 of The Legislative Assembly Act.

APPENDIX B

LIST OF PARTICIPATING GROUPS AND ASSOCIATIONS

Ontario Educational Communications Authority

Ontario Association for Curriculum Development

Board of Ophthalmic Dispensers

*College of Optometrists

*Ontario Association of Dispensing Opticians

*Optometrists Association of Ontario

Ontario Labour Relations Board

*Canadian Manufacturers Association

Central Ontario Industrial Relations Institute

City of Guelph

*Ontario Chamber of Commerce

*Ontario Confederation of University Faculty Associations

*Ontario Federation of Labour

*Ontario General Contractors Association

*Ontario Roadbuilders Association

*Ontario Sewer and Watermain Contractors Association

Retail Council of Canada

*Toronto and Central Ontario Building Trades Council

Ontario Northland Transportation Commission

Northeastern Ontario Municipalities Action Group

Liquor Control Board of Ontario

*Association of Canadian Distillers

*Canadian Wine Institute

Ontario Imported Wine and Spirit Association

*Wine Council of Ontario

* indicates that organization appeared before the Committee



Standing Committee on Procedural Affairs

Report on Agencies, Boards and Commissions (No. 4)

1st Session 32nd Parliament
30 Elizabeth II

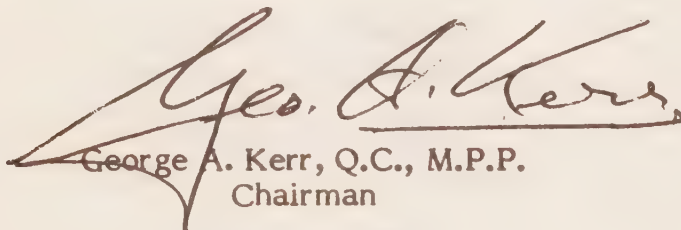


LEGISLATIVE ASSEMBLY
ASSEMBLÉE LÉGISLATIVE

The Honourable John M. Turner, M.P.P.
Speaker of the Legislative Assembly.

Sir,

Your Standing Committee on Procedural Affairs has the honour to present its
Report and commends it to the House.


George A. Kerr, Q.C., M.P.P.
Chairman

Queen's Park
19 November 1981

**MEMBERSHIP OF THE STANDING COMMITTEE
ON PROCEDURAL AFFAIRS**

GEORGE A. KERR, Q.C.
Chairman

DAVID ROTENBERG
Vice-Chairman

**MICHAEL BREAUGH
BRIAN CHARLTON
HUGH EDIGHOFFER
HERBERT EPP
WILLIAM HODGSON**

**REMO MANCINI
ALLAN McLEAN
ALAN M. ROBINSON
GEORGE TAYLOR, Q.C.
ANDY WATSON**

A. SMIRLE FORSYTH
Clerk of the Committee

DOUGLAS ARNOTT
Clerk pro tem. of the Committee

JOHN EICHMANIS
Research Officer

*Mr. Taylor replaced Mr. Piché who sat on the Committee during its review of the operation of certain agencies, boards and commissions of the Government of Ontario.

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I INTRODUCTION

The Standing Committee on Procedural Affairs, composed of twelve members representing the three parties in the House, was established on Friday, 24 April 1981, and charged to "review the operation of all Agencies, Boards and Commissions to which the Lieutenant Governor in Council makes some or all of the appointments, and all corporations in which the Crown in right of Ontario is a majority Shareholder, such reviews to be made with a view to reducing possible redundancy and overlapping".¹

In pursuing its mandate, your Committee chose to review the operation of the following agencies:

Ontario Racing Commission
Farm Pollution Advisory Committee
Hockey Ontario Development Committee
Ontario Place Corporation.

Public hearings were held in Toronto and representatives of the above agencies and interested associations were heard. Those who were not able to meet with the Committee were encouraged to submit written briefs. These briefs along with testimony given at the public hearings have been carefully considered by your Committee. Witnesses who appeared are listed in Appendix "B" to this Report.

Since 1978, this Committee and its predecessor Committee have reviewed the operation of thirty agencies, boards and commissions of the Government of Ontario.² A significant number of agencies remain to be examined. Therefore, instead of limiting its reviews to once a year, your Committee has decided to conduct a biannual review of agencies, boards and commissions. Consequently,

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1. See Appendix "A" for the complete Terms of Reference of the Committee.
 2. See Appendix "C" for a list of the agencies, boards and commissions which have been reviewed since 1978.

in January next, your Committee will review the operation of the following agencies:

Board of Censors
Ontario Energy Board
Ontario Police Commission
Toronto Area Transit Operating Authority.

Members of the Committee wish to express their appreciation to all of the witnesses who appeared to present their views and to those persons and associations who submitted written briefs. Your Committee also expresses its appreciation for the co-operation of officials of various ministries of the Government of Ontario and the agencies themselves. Your Committee wishes to acknowledge the assistance and dedication of its administrative and research staff to the work of the Committee.

The recommendations of the Committee represent a consensus of opinion rather than complete agreement on every issue before it. While not every member may agree with every recommendation, the Committee is pleased to present a report that each member can support.

II AGENCY REVIEW

1. ONTARIO RACING COMMISSION (Minister of Consumer and Commercial Relations)

The Ontario Racing Commission was established in 1950 by the Racing Commission Act to deal with thoroughbred racing in Ontario and subsequently with standardbred racing as well. Today, horse racing, whether called a sport or business, is one of the more highly regulated activities in our society. The reason for this regulation has been well documented in the press; horse racing is prone to potential manipulation of results. Integrity is essential where public wagering in Ontario approaches one billion dollars per year. Legislators at both the federal and provincial levels of government have recognized this need for integrity and have instituted various mechanisms to reassure the public.

Under the Criminal Code bookmaking is an offence except when conducted on-track in a controlled and regulated manner. The degree to which this control over betting is exercised can be gauged by the fact that the federal Race Track Supervision Regulations made pursuant to the Criminal Code run to ninety-six pages.

While the matter of betting and gambling remains within the jurisdiction of the federal government, the provinces have responsibility for horse racing as such and the operation of race tracks. In establishing the Commission, the government of the day recognized that the integrity of horse racing could not be ensured where the various racing associations or bodies regulated themselves or where no one organization assumed responsibility for the discipline and orderly conduct of the participants. The intent of the Act establishing the Ontario Racing Commission, therefore, was to create an independent agency removed from racing associations and participants which would regulate the industry in the public interest.

The Commission is constituted as a body corporate with seven members appointed by the Lieutenant Governor in Council. The day-to-day operation of the Commission is under the management of a Director who supervises a head

office staff of thirteen and oversees a field staff of eighty-seven including judges, stewards, veterinarians and other officials. Since 1974, the Commission, in association with the Province of Ontario Horse Racing and Breeding Advisory Board, has also been responsible for promoting the horse racing industry through rebates provided for under the Race Track Tax Act. It is the responsibility of the Board to advise the Commission and the Minister of Consumer and Commercial Relations on the manner in which the monies from the rebate programme are to be dispersed.

The Commission's functions include the licensing of all individuals who have any business at the tracks, from owners and trainers to officials and tradesmen. The Commission has the power to make and promulgate rules of racing. Two such rules have been made - The Rules for Standardbred Racing and The Rules of Thoroughbred Racing. These rules provide detailed "dos" and "don'ts" for participants and give the Commission wide discretionary powers to interpret what is "in the best interests of horse racing".

In addition to its regulatory function, the Commission has also been assigned a promotional function. As was previously indicated, the Commission and the Province of Ontario Horse Racing and Breeding Advisory Board make recommendations with respect to the disbursement of monies from the tax rebate programme. Under the Race Track Tax Act, the Province taxes bettors at seven percent, and of that percentage, one and one-half percent is rebated to the horse racing industry (this will go up to two percent in the near future). The rebate programme is designed to supplement purses paid to the owners of horses, to improve the quality and quantity of racing stock in Ontario, to improve the quality of the facilities at class III circuit standardbred tracks, and to fund equine research.

Recommendations

In reviewing the operation of the Ontario Racing Commission, your Committee concluded that the continued operation of the Commission was necessary to ensure order and integrity in the horse racing industry in Ontario. The Committee was, nevertheless, of the opinion that in a number of areas the Commission's operations and practices could be improved in order to enhance the integrity of its regulatory functions and the horse racing industry in general.

It has come to the attention of the Committee in this review as in past agency reviews that appointees to the Boards of various Ontario agencies find themselves either in a position of direct conflict of interest or in a seeming position of conflict of interest. As a regulatory agency exercising quasi-judicial functions, the Commission has an obligation to hear complaints and charges against individuals in as fair and judicious a manner as possible. Moreover, since the Commission has been given a promotional function in making recommendations as to how the monies from the rebate tax programme are to be distributed, it is only fair that the advisors are not also recipients of these monies. Where the advisors are also the recipients, the claim can always be made that the advice is self-serving.

Your Committee is of the opinion that a possible conflict of interest may now exist within the Commission. At the same time, the Committee recognizes that this situation is not limited to any particular agency, but can occur with respect to all Ontario agencies. Thus, while it would like to see the Ontario Racing Commission adopt a set of rules respecting conflict of interest in relation to its own members, the Committee reserves its recommendation and will return to this issue later in the Report.

During its public hearings, the Committee had the opportunity to hear not only from the Commission, but also from participants at the race tracks as well as race track operators. The Committee gave careful consideration to the means by which the Commission ensures that undesirable elements are denied access to the tracks and horses and the means by which the Commission monitors the integrity of each race. On both points, it was felt that additional improvements could be made.

It is the practice of the Commission to license any individual who wishes in some way to participate at the race track. The Commission to a large extent relies on the applicant to declare whether he or she has had a past criminal record. If no such declaration is made, a license is then issued to that person. Where the individual makes a declaration that he or she has a criminal record, a license may be issued if, in the opinion of the staff of the Commission, the offence was minor in nature.

In reviewing this procedure the Committee concluded that the pre-screening of license applicants should be improved. At the same time, it recognized that the area of vulnerability is with respect to those individuals who have direct access to horses or drivers; that is, in the barns, the paddock and the backstretch of the track.

Your Committee recommends, therefore, that:

The Ontario Racing Commission institute a thorough and complete check on all applicants who have direct access to horses and drivers prior to a race before issuing a license to the applicant.

In making the above recommendation, the Committee sees no objection to the Ontario Racing Commission issuing, in some instances, interim licenses to those applicants who have been previously licensed in other jurisdictions.

Another procedure that in the opinion of the Committee could be improved is the use of the pre-race breathalyzer. At present, this test is conducted prior to a race on a random basis. With the proper equipment this is a quick and reliable test which ensures that every driver or jockey is mentally alert during what is potentially a dangerous activity.

Your Committee recommends that:

The Ontario Racing Commission institute a pre-race breathalyzer test for every driver and jockey prior to each racing card.

At the same time, the Committee determined that the random urine testing of horses after a race was a far too 'hit and miss' procedure. Far more effective and far more reassuring to the public would be the testing of the horses who won, placed or showed. In making this recommendation, your Committee acknowledges that urine testing is the responsibility of the federal Department of Agriculture and its field staff.

Your Committee, therefore, recommends that:

The Minister of Consumer and Commercial Relations request the federal Department of Agriculture to institute post-race urine testing of at least those horses that finish first, second and third.

This recommendation should not preclude the federal Department of Agriculture from continuing to test other horses on a random basis.

Another area of concern to the Committee is the distribution of monies from the Race Track Tax Act rebate programme. While the evidence suggested that this programme is working reasonably well in achieving its objectives, your Committee was left with the impression that the programme, whether by design or by accident, tends to favour those participants and race tracks who are already doing well and who would probably do so without assistance from the programme. Consequently, the Committee urges the Commission and the Minister when deciding on the distribution of the rebate monies to give added consideration to those owners, breeders, race tracks, etc. who are less "well-off". In this regard, your Committee would like to draw attention to the individuals such as grooms, attendants, and apprentices who, in its estimation, receive relatively small wages and who do not enter in the calculations with respect to the distribution of rebate monies.

Your Committee would like to make two further observations. First, the Committee is of the opinion that the Province of Ontario Horse Racing and Breeding Advisory Board is not legally constituted. The Board was established by O.C. 412/74 for a three year period from 7 November 1973. The Board has not been continued by any subsequent Order-in-Council.

Second, notice was drawn to the fact that the remuneration paid to members of the Commission was not equitable. The Chairman of the Commission receives an annual remuneration of \$25,000 while the Vice-Chairman and other members receive \$6000 and \$5000 per annum respectively.

Your Committee recommends that:

The Minister of Consumer and Commercial Relations recommend to the Cabinet that the remuneration of Commission members be more equitable.

2. FARM POLLUTION ADVISORY COMMITTEE (Minister of the Environment)

The Farm Pollution Advisory Committee was created in 1973 by the Minister of the Environment pursuant to the Environmental Protection Act which seeks to define and set environmental standards with respect to contaminants. The need to create this advisory body arose out of the difficulty in interpreting those sections of the Act which specifically exempt 'the disposal of animal wastes in accordance with normal farming practices' from the legislative scope of the Act. So long as a farmer is able to show that he has disposed of animal wastes according to normal farming practices the resultant pollution is not subject to the Act and the farmer is not subject to prosecution. The problem centres on the meaning of 'normal farming practices'.

The Committee is composed of four members drawn from the farming community in southwestern Ontario. Although the Committee has been allocated \$25,000 a year for travelling expenses, this sum has not been used in any one year. The Committee has investigated as many as twelve complaints and as few as four in any given year.

In its advisory capacity, the Committee meets only when the Ministry of the Environment with the co-operation of the Ministry of Agriculture and Food is unable to resolve a complaint against a farmer. The Committee, on request of the Ministry of the Environment, attends at the farm to inspect the site and to discuss the complaint. A report is then made to the Minister of the Environment. In most instances, an informal resolution of the complaint can be made by the farmer accepting the Committee's recommendations with respect to farming practices.

Recommendations

In reviewing the Farm Pollution Advisory Committee, your Committee was impressed by a number of facts.

The Advisory Committee has no members representative of the farming communities in eastern and northern Ontario and there has been no turn-over of

members since 1973. The Committee has dealt with only a few cases each year. Most of the problems encountered by the Committee are resolved by the application of common sense. Where difficult problems arise, advice may be obtained from experts in the agricultural field, in particular from the Ontario Agricultural College of the University of Guelph. Field staff from both the Ministries of Agriculture and Food and of the Environment deal directly with such problems and can draw on the experience of their Ministry staff for advice. There is a Code of Practice that deals with farm pollutants that can be used as a guide both by farmers and Ministry staff.

In view of these facts, the Committee is of the opinion that while the Farm Pollution Advisory Committee may have been a useful device for resolving problems during the initial years following the passage of the Environmental Protection Act when few farmers and Ministry staff fully understood how to interpret the Act and the section dealing with 'normal farming practices', the situation after some seven years has changed. Everyone, but particularly the staff of the Ministry of Environment, has had an opportunity to gain the necessary experience and expertise to determine what is or is not in accordance with 'normal farming practices'.

Consequently your Committee recommends that:

The Minister of the Environment should terminate the Farm Pollution Advisory Committee.

3. HOCKEY ONTARIO DEVELOPMENT COMMITTEE (Minister of Culture and Recreation)

Over the last decade, amateur hockey has been the subject of public criticism centring on the seemingly high degree of violence that takes place on the ice. Public concern over the issue has over the years prompted government attention, particularly as there has been some suspicion that the hockey associations responsible for amateur hockey in Ontario have not placed enough emphasis on eradicating hockey violence. In 1974, in response to this concern, the government established the Ontario Hockey Council to implement the recommendations of the McMurtry Report on Violence in Hockey. In July, 1980, the Council was reconstituted as the Hockey Ontario Development Committee, largely as a result of another report, Minor Hockey in Ontario, which argued that the way to improve amateur hockey was to emphasize development.

The Hockey Ontario Development Committee was created as a non-profit corporation with a fund of two million dollars for three years. It is composed of all the various minor amateur hockey associations in Ontario with the exception of the Metropolitan Toronto Hockey League which has refused to join the Committee. In addition there are three public sector appointees.

The day-to-day operation of the Committee is the responsibility of an Executive Director. The staff consists of five secretaries, nine full-time employees and one consultant. The staff organizes and oversees the various programmes offered by the Committee. These programmes include:

- a) a National Referees Certification Programme;
- b) a National Coaches Certification Programme;
- c) a Hockey Trainer's Certification Programme;
- d) a Player Programme;
- e) a Parent Programme;
- f) an Administrators Programme;
- g) a Development Co-ordinators Programme;
- h) a Community Hockey Profile Programme; and
- i) promotional films and the magazine 'Scope'.

At the moment, the funding for the Committee comes principally from government grants from the Ministry of Culture and Recreation and Wintario money. The Committee itself was able to generate some \$166,000 last year through its various programmes listed above, while its expenses were slightly over \$700,000. The shortfall was made up by the government grants. Once the two million dollar fund is depleted in 1983, the Committee will be left entirely to its own means to generate funds sufficient to carry out its programmes. Unless private funding is found or government grants-in-aid continue, the Committee will either have to drastically curtail its programmes or cease to exist.

Recommendations

It is clear that the viability of the Hockey Ontario Development Committee will become precarious after 1983 without government grants. This raises the question of whether the government should continue to fund the Committee past 1983 at a level similar to the present funding provision. Your Committee is not opposed in principle to continued government funding; however, it does feel that certain measures should be taken before such funding is continued. The Hockey Ontario Development Committee should present to the Minister of Culture and Recreation a detailed progress report on the objectives that it has achieved during the three years that it has received government grants.

Your Committee recommends that:

The Hockey Development Committee prepare a detailed progress report on the operation, objectives and achievements of the Committee prior to 1983 and submit it to the Minister of Culture and Recreation.

It is also clear to your Committee that the ability of the Hockey Ontario Development Committee to achieve its objectives is severely limited by the absence of the Metropolitan Toronto Hockey League from its membership.

This apparent disunity among the various amateur hockey associations is not, in your Committee's opinion, a healthy state of affairs and reflects badly on the management of those associations. Moreover, the effectiveness of programmes

and the general health of amateur hockey in Ontario can only suffer from this type of disunity, with the children being the ultimate losers. If such organizations truly exist for the benefit of the playing children and the improvement of the quality of minor hockey in Ontario, the managers of the hockey associations will need to change their priorities.

The Committee strongly feels that significant progress in this regard could be achieved by the creation of one governing body for all of amateur hockey in Ontario. Such a body would go a long way towards introducing uniformity of procedures and practices, and would eliminate friction and competition between the various associations. Thus, for example, your Committee was apprised of local boundary disputes involving players who must play in a different league from the one they would want, merely as a result of an arbitrary line being drawn between one association and another. The evidence suggests that the associations jealously guard their territories against "poachers" and "defectors". Caught in the middle are the children whose principal interest is to play hockey. In your Committee's view this state of affairs must cease, otherwise the hockey associations invite government involvement.

Your Committee recommends that:

One governing body be created for all amateur hockey in Ontario.

Similarly, your Committee deplores any attempt to introduce or sanction the professionalization of young players.

Your Committee recommends that:

The Hockey Ontario Development Committee strive to reduce any and all practices that curtail the right of players at a young age to play amateur hockey.

4. ONTARIO PLACE CORPORATION (Ministry of Industry and Tourism)

Ontario Place was completed in early 1971 in response to the success of the Expositions in Montreal and Osaka. The Corporation's enabling legislation stipulates that the Corporation is to have the following objectives:

- a) to operate Ontario Place as a provincial exhibition and recreational centre;
- b) to develop projects and programmes designed to provide the people of Ontario with a greater appreciation of the Province and its accomplishments and potential, and to provide talented artists in the Province with the opportunity to exhibit their works and their abilities;
- c) to develop special programmes from time to time considered worthwhile to enhance the image of the Province and to co-ordinate activities with the Canadian National Exhibition at times when the exhibition is in operation; and
- d) to do such things as the Minister may require from time to time and to advise the Minister on projects and programmes of general advantage to the Province.

On the basis of these objectives, several elements may be discerned. There is a commercial element, a social or cultural element and a tourist or educational element. Invariably where such a mixture of goals is pursued simultaneously tensions will result. Thus while the commercial success of Ontario Place can be measured by looking at the Corporation's balance sheet, the degree to which the social/cultural and tourist/educational goals are being achieved is difficult to measure.

Over the years, Ontario Place has expanded its operations with the addition of various new facilities and attractions. These changes have been reflected in attendance topping the three million person mark in the last three years. Despite these successes the Corporation has not managed to generate enough revenues to cover both its operating expenses and its capital requirements. In total, including initial construction costs, the government has granted the

Corporation some \$53 million in the last ten years. It should be pointed out, however, that in the last two years, the Corporation has come close to balancing its books and has needed less subsidization from the Treasury.

Recommendations

Ontario Place is a success story and has gone a long way towards generating its own revenue to cover its own operating expenses. In view of the fact that the Corporation is so close to covering its expenses, your Committee feels that the Corporation should make a concerted effort to raise sufficient revenues so that in the next fiscal year it can operate without subsidies from the provincial government.

Your Committee recommends that:

Ontario Place Corporation should establish an objective whereby its annual revenues are sufficient to cover operating expenses.

Flowing from this recommendation, it is clear that there are contingent matters that have to be addressed if this policy is to be successful. The Committee was informed that public access to Ontario Place grounds is limited; the public uses either private transportation and on-site parking facilities or the public transport system. This latter system, however, has proven to be inadequate on two grounds. First, there is only one bus departing from Union Station that stops in front of the grounds. Second, the streetcar service only enters the C.N.E. grounds, forcing individuals to walk a considerable distance.

Your Committee recommends that:

The Minister of Industry and Tourism make representations to the Toronto Transit Commission to request that the Commission provide improved transportation services to the grounds of Ontario Place.

Another matter that requires consideration if Ontario Place is to achieve revenue self-sufficiency is the question of future expansion. Any plans the

Corporation may have in expanding further along the lakefront by the dump fill method would entail major capital outlays which would have to be covered by additional grants to the Corporation. At a time of government restraint such major outlays would be inappropriate and would further aggravate the Corporation's budgetary deficit.

Your Committee, therefore, recommends that:

The Corporation concentrate its efforts on the consolidation of its revenue base rather than undertaking major expansion at this time.

It has been predicted that as we close the twentieth century, the population of Ontario will change demographically so that a proportionally greater number of senior citizens will live in Ontario than at present. These citizens will undoubtedly demand their own services and will put pressure on existing government programmes and services to reflect their concerns and needs. Over the coming years there is every expectation that Ontario Place will be increasingly used by senior citizens. To cater to their needs, Ontario Place will have to give careful consideration as to how senior citizens can enjoy the facilities at the grounds, but more importantly the problem will arise as to what types of attractions and facilities are appropriate for an older population. At present many of the attractions demand active physical participation which may be either too strenuous or otherwise unattractive to our senior citizens. Ontario Place will thus have to provide more passive forms of activity in order that the Corporation can cater to our older citizens.

The further problem that will be created by the increasing use of Ontario Place by senior citizens is the question of admission fees. Present policy requires that those over sixty-five enter free of charge. It is possible that without further subsidization from the government Ontario Place could in the coming years experience considerable budgetary problems. The Committee while it makes no specific recommendations in this regard at this time, does feel that the Corporation along with the Minister of Industry and Tourism should give serious consideration to this potential problem.

Finally, as the Act stipulates, the Corporation has a responsibility to provide an opportunity for Ontario and Canadian artists of whatever category to show their talents at Ontario Place.

Your Committee recognizes that the Corporation is endeavouring to do so with respect to various non-professional groups that are invited to present their talents on the grounds. While the Corporation's record with respect to professional Canadian talent appearing at the Forum is good, your Committee is of the opinion that there is still some room for improvement.

Your Committee, therefore, recommends that:

Ontario Place Corporation actively continue to seek out Canadian talent to perform at the Forum.

III GENERAL RECOMMENDATIONS

As was discussed earlier in the Report with respect to the Ontario Racing Commission, appointees to various agencies, boards and commissions of the Government of Ontario can often find themselves placed in a position of conflict of interest when they are appointed to a given agency. Such appointees undoubtedly accept their appointments with a clear conscience and a desire to serve the public interest. Drawn largely from the private sector, serving usually on a part-time basis, these appointees invariably continue to engage in their private professional and business activities. Not directly involved in government work at the ministerial level and working at 'arms length' from ministerial control they may lose sight of the fact that the public's expectations of their activities and performance is no less exacting than if they were actually civil servants. In other words not only should they be above reproach but they should also seem to be.

Your Committee recommends that:

That the Chairman of the Management Board of Cabinet introduce during the 32nd Parliament legislation establishing rules governing conflict of interest with respect to all agencies, boards and commissions of the Government of Ontario.

Further, this Committee would like to reaffirm the recommendation made in the Third Report of its predecessor committee with respect to how the appointments to agencies, boards and commissions are made.

Finally, the Committee would like to draw attention to the question of Ministers' responses to the reports on agencies that have been reviewed by your Committee. It is the belief of the Committee that the Minister responsible for a particular agency reviewed by the Committee should endeavour to make an appropriate response to the Committee's recommendations. In the past, Ministers have not always done so. The accountability of Ministers for their agencies requires that there be consistency and that all Ministers make responses to the recommendations of this Committee.

Your Committee recommends that:

Each Minister responsible for an agency, board or commission reviewed by the Committee respond to the Committee's recommendations.

IV SUMMARY OF RECOMMENDATIONS

- The Ontario Racing Commission institute a thorough and complete check on all applicants who have direct access to horses and drivers prior to a race before issuing a licence to the applicant. (page 6)
- The Ontario Racing Commission institute a pre-race breathalyzer test for every driver and jockey prior to each racing card. (page 6)
- The Minister of Consumer and Commercial Relations request the federal Department of Agriculture to institute post-race urine testing of at least those horses that finish first, second and third. (page 6)
- The Minister of Consumer and Commercial Relations recommend to the Cabinet that the remuneration of Commission members be more equitable. (page 7)
- The Minister of the Environment should terminate the Farm Pollution Advisory Committee. (page 9)
- The Hockey Development Committee prepare a detailed progress report on the operation, objectives and achievements of the Committee prior to 1983 and submit it to the Minister of Culture and Recreation. (page 11)
- One governing body be created for all amateur hockey in Ontario. (page 12)
- The Hockey Ontario Development Committee strive to reduce any and all practices that curtail the right of players at a young age to play amateur hockey. (page 12)
- Ontario Place Corporation should establish an objective whereby its annual revenues are sufficient to cover operating expenses. (page 14)
- The Minister of Industry and Tourism make representations to the Toronto Transit Commission to request that the Commission provide improved transportation services to the grounds of Ontario Place. (page 14)

- The Corporation concentrate its efforts on the consolidation of its revenue base rather than undertaking major expansion at this time. (page 15)
- Ontario Place Corporation actively continue to seek out Canadian talent to perform at the Forum. (page 16)
- That the Chairman of the Management Board of Cabinet introduce during the 32nd Parliament legislation establishing rules governing conflict of interest with respect to all agencies, boards and commissions of the Government of Ontario. (page 17)
- Each Minister responsible for an agency, board or commission reviewed by the Committee respond to the Committee's recommendations. (page 18)

APPENDIX "A"
TERMS OF REFERENCE

Friday, 24 April 1981

On motion by Mr. Wells, seconded by Mr. Gregory,

Ordered, That the following Standing Committees be established for this Session, with power to examine and inquire into all such matters as may be referred to them by the House, with power to send for persons, papers and things, as provided in section 35 of the Legislative Assembly Act:-- ...Standing Committee on Procedural Affairs -- 12 Members... (with 7 from the Government Party, 3 from the Official Opposition and 2 from the Third Party)... appointed for this Parliament to review and report to the House its observations and opinions on the operation of the Standing Orders of the House, and such additional matters as may be referred to it by the House or by Mr. Speaker from time to time, and that the Committee also have power to review the operation of all Agencies, Boards and Commissions to which the Lieutenant Governor in Council makes some or all of the appointments, and all corporations in which the Crown in right of Ontario is a majority Shareholder, such reviews to be made with a view to reducing possible redundancy and overlapping; and the Committee may not meet during Summer adjournments or during intervals between Sessions without authorization from the Assembly.

On motion by Mr. Wells, seconded by Mrs. Birch,

Ordered, That unless otherwise ordered, substitution be permitted on all Standing Committees provided that written notice of substitution is given to the Chairman of the Committee before or early in the meeting.

APPENDIX "B"

WITNESSES

16 September 1981

David Gorman
Executive Vice-President
National Association of Canadian Race Tracks

Charles Juravinski
President
Harness Tracks of Ontario Association

17 September 1981

N.E. Hardy
Chairman
Ontario Racing Commission

W.R. McDonell
Director
Ontario Racing Commission

Bob Hall, Q.C.
Counsel
Ontario Racing Commission

F.C. Paradis
Secretary-Treasurer
Ontario Racing Commission

22 September 1981

Otto Crone
Chairman
Farm Pollution Advisory Committee

Peter Waud
Supervisor, Environmental Planning Unit
Land Use Co-ordination and Special Studies Section
Environmental Approvals Branch
Ministry of the Environment

23 September 1981

Lloyd Davidson
Chairman
Hockey Ontario Development Committee

Don Robb
Executive Director
Hockey Ontario Development Committee

Don Cousens, M.P.P.
York Centre

24 September 1981

William P. Cooper
Chairman
Ontario Place Corporation

Bruce H. Longhurst
General Manager
Ontario Place Corporation

APPENDIX "C"

AGENCIES BOARDS AND COMMISSIONS REVIEWED TO DATE

First Review

Report Presented to the House on Thursday,
9 November 1978

Waste Management Advisory Board
Pesticides Advisory Committee
Ontario Food Council
Agricultural Research Institute
Alcoholism and Drug Addiction Research Foundation
Ontario Institute for Studies in Education
Education Relations Commission
Farm Machinery Board
Land Compensation Board
Milk Commission of Ontario
Cream Producers' Marketing Board
St. Lawrence Parks Commission
Ontario Council for the Arts
Ontario Heritage Foundation

Second Review

Report Presented to the House on Monday,
3 December 1979

Ontario Research Foundation
Ontario Telephone Service Commission
Ontario Housing Corporation
Ontario Food Terminal
Ontario Council of Health
Ontario Municipal Board

Third Review

Report Presented to the House on Tuesday,
2 December 1980

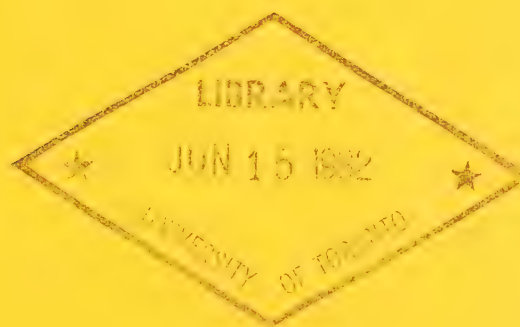
Ontario Educational Communications Authority
Ontario Lottery Corporation
Board of Ophthalmic Dispensers
Ontario Labour Relations Board
Ontario Northland Transportation
Liquor Control Board of Ontario

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Standing Committee on Procedural Affairs

Report on Agencies, Boards
and Commissions (No. 5)



2nd Session 32nd Parliament
31 Elizabeth II



LEGISLATIVE ASSEMBLY
ASSEMBLÉE LÉGISLATIVE

CA-390
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-R21

The Honourable John M. Turner, M.P.P.
Speaker of the Legislative Assembly.

Sir,

Your Standing Committee on Procedural Affairs has the honour to present its
Report and commends it to the House.

A handwritten signature in dark ink, reading "Geo. A. Kerr". The signature is written in a cursive style with a long horizontal flourish extending to the right.

George A. Kerr, Q.C., M.P.P.
Chairman

Queen's Park
11 May 1982

**MEMBERSHIP OF THE STANDING COMMITTEE
ON PROCEDURAL AFFAIRS**

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I INTRODUCTION

This report of your Standing Committee on Procedural Affairs constitutes the second review of agencies, boards and commissions of the Ontario Government completed by this Committee.¹ During the course of public hearings held in late January 1982, the Committee heard testimony from representatives of the agencies and interested associations² with respect to the following agencies:

Ontario Board of Censors
Ontario Police Commission
Toronto Area Transit Operating Authority
Ontario Energy Board

The results of the Committee's deliberations are contained in this report.

In keeping with the Committee's decision to conduct biannual reviews of agencies, the Committee will review the operation of the following agencies, boards and commissions in September, 1982:

Art Gallery of Ontario
Civil Service Commission
Commission on Election Contributions and Expenses
Ontario Mortgage Corporation
Wolf Damage Assessment Board

Members of the Committee wish to express their appreciation to all of the witnesses who appeared to present their views and to those who submitted written briefs. The Committee also expresses its appreciation for the co-operation of officials of various ministries of the Government of Ontario and the agencies themselves. The Committee also wishes to acknowledge the assistance and dedication of its administrative and research staff to the work of the Committee.

¹ This is, however, the 5th Report in a series first begun with the previous Committee of the 31st Parliament.

² See Appendix C for a list of the witnesses appearing before the Committee.

The recommendations of your Committee represent a consensus of opinion rather than complete agreement on every issue before it. While not every member may agree with every recommendation, your Committee is pleased to present a report that each member can support.

II AGENCY REVIEW

THE ONTARIO BOARD OF CENSORS*

The Ontario Board of Censors has continued uninterrupted since first established in 1911 under the Theatres Act, with a mandate to review and approve films, now also videotapes, for public showing in Ontario. While this overall function has remained unaltered, the Board has evolved in a number of ways over the years. In fact, during the past year, the Board has been in the process of change, the result of amendments to the Theatres Act and the appointment of a new chairman. In future the Board will consist of and operate in a manner different from the past.

The Board is constituted as a division of the Theatres Branch of the Ministry of Consumer and Commercial Relations, with the Director and Assistant Director appointed as Chairman and Vice-Chairman of the Board, respectively. While these two members of the Board are civil servants, appointed by Order-in-Council as other members are, the rest of the Board, eventually to comprise 25 members, are part-time and drawn from the community at large.

Under the Act, the Board has the power to censor any film intended for public showing in Ontario, and can cut or eliminate any portion of a film with the authorization of the submitter. It has the power to approve, prohibit and regulate the exhibition of any film, as well as advertising material.

In addition to approving films and exercising its censorship function, the Board also classifies films. The Board now classifies films in four categories: family, parental guidance, adult accompaniment and restricted. For each category there is a statutory guideline, so that a family film is one that the Board considers appropriate for viewing by a person of any age; a film designated as parental guidance is one that the Board considers every parent should exercise his or her discretion in permitting his or her child to view; a film classified as adult accompaniment is one that is restricted to persons fourteen years of age and older; finally, a restricted film is one that is restricted to persons eighteen years and older.

* See Appendix A for a dissenting opinion of Michael Breagh, M.P.P. and Brian Charlton, M.P.P.

An amendment³ to the Act permits the Board to give approval for a particular film, subject to it being shown in a designated location on specified dates only. This provision enables films that may otherwise be cut or even rejected by the Board to be shown under the prescribed conditions.

In deciding whether to approve a film and classify it in the above-mentioned categories the Board has adopted the following procedures. When a distributor wants to show a film in Ontario he submits his film to the Board along with an application which gives the distributor's name, the title of the film, number of reels, number of copies, and number of pieces of advertising and trailers. Once the application has cleared the Board's administrative process, it is ready for showing to the Board members.

A panel of five members, to be drawn eventually from the full complement of 25, but now 13 members, screen the film and each member at his or her discretion notes any segment of the film that can affect the film's classification and its ultimate approval. After the screening the members of the panel fill out a Personal Report which requires each of the members to indicate whether the film falls within accepted community standards or not, whether there should be cuts or eliminations, whether it should fall within one of the four categories, or whether it should be rejected. After the Personal Reports have been completed the Panel members meet to reach a consensus on the film. When a majority has reached a consensus, a Summary Report is made that includes the Board's recommendations. Each member initials the report and it is forwarded to the Office Manager who convey's the Board's decision to the film distributor.

If the distributor objects to the Board's decision, he may, under the amendments to the Act, appeal that decision to a panel of five members, this panel composed of different members of the Board than the one that screened the film in the first instance. The panel can either affirm or rescind the original decision, and its decision is final.

³ Bill 165, introduced in the 1st Session, 32nd Legislature.

Once the distributor accepts the Board's decision, the film is sent to the Board's projectionist who stamps the film if no cuts are required or makes the necessary cuts before stamping, and where there are no eliminations to be made only the first copy of the film is stamped. Once this process is completed, the projectionist releases the film and a certificate of approval is placed with each copy of the film to be released. All certificates are registered. During the process, the Board will also review all advertising connected with the film.

In making its decision to cut a portion of a film, or, in rare instances, to reject a film entirely, what does the Board view as objectionable? It should be pointed out that the Act in its amended form and the regulations do not set any specific standard that would then be applied to the film; therefore the Board has absolute discretion in deciding what is objectionable and what is not. In the absence of a statutory standard, the Board has recently developed a standard based on what the Board perceives the community at large in Ontario finds objectionable in films, and has determined that the community objects to graphic or prolonged scenes of violence, torture or bloodletting; explicit portrayal of sex and violence, including rape, sexual abuse, sexual exploitation of children, explicit portrayal of sexual activity, undue or prolonged emphasis on genitalia and ill-treatment of animals. Such scenes could be cut or eliminated, or the entire film could be rejected if the eliminated scenes were so extensive as to ruin the continuity of the film.

Recommendations

In reviewing the Ontario Board of Censors, your Committee expresses general agreement with the Board's present practices and policies as are to be implemented by the recently introduced amendments to the Theatres Act and as devised by the Board's new chairman. In adopting this position, the Committee has been made aware that the Board has undergone considerable evolution in its policies. It would appear, on the evidence presented to the Committee, that the Board's censorship function, while still part of its mandate, is exercised less than in years past. Thus, on average, only about 4% of films are censored - that is,

cuts made, and only 5 of about 1,500 films reviewed each year have been rejected in their entirety. The Board's primary activity, thus, centres on the classification of films.

This shift away from censorship to classification is welcomed by the Committee, and in keeping with the Board's primary function of classification,

Your Committee recommends that:

The Board of Censors' name be changed to Ontario Classification and Censorship Board.

Mention has been made of the phrase "community standard". In testimony before the Committee, the Board's Chairman explained the meaning of the term and how it is interpreted by the Board. The term can be defined as the measure of what films all individuals in the province consider appropriate for public showing in Ontario. It is the Board's assessment of that community standard that determines its policy with respect to censorship and classification. How that standard is arrived at by the Board is, therefore, crucial to the exercise of its discretion. Your Committee believes that the Board has a public obligation to set forth the methods by which it keeps in touch with public opinion, and the results it obtains from any studies it conducts.

Your Committee recommends that:

The Board incorporate as part of its annual report its assessment of the community standards as it relates to the public exhibition of films, detailing how it arrived at that standard and the results of its studies.

The announced policy of the Government is to appoint twenty-five members to the Board in order that the Board can create panels of five to review films on a rotating basis. Thirteen of the twenty-five have so far been appointed. Your Committee believes that if the Board is to reflect the community at large, those who are chosen to serve on the Board must in fact be representative. Were this not to be the case the credibility of the Board in determining the community standard would be in question.

Your Committee recommends that:

The Minister of Consumer and Commercial Relations ensure that those individuals appointed to the Board come from a cross-section of the Ontario community.

In reviewing the mandate and work of the Ontario Board of Censors the Committee would like to draw attention to the fact that the Board's decision to reject or approve a film is an administrative rather than a judicial decision. The Board has no power to enforce its decisions through the courts. The matter of whether a person showing a film in public is subject to criminal liability is governed by the Criminal Code of Canada, enforced in Ontario by the Attorney-General. Under the Criminal Code, it is an offence for anyone to show an "obscene" performance in a theatre, "obscene" being defined as "the undue exploitation of sex or of sex and crime, horror, cruelty and violence." Your Committee believes that this definition is too narrowly drawn, in that it would appear that violence and cruelty, independent of any sexual representation, are not encompassed within the scope of the definition.

Your Committee recommends that:

The Attorney-General for Ontario make representations to the Minister of Justice and Attorney-General of Canada requesting that the Criminal Code of Canada be amended in such a way so as to make the definition of "obscene" encompass cruelty and violence independently of sexual representation.

In considering the role of the Attorney-General for Ontario with respect to the showing of "obscene" films, the Committee believes that a stronger enforcement of the Criminal Code is warranted. In adopting this view, the Committee expresses deep concern with respect to the depiction of women and children as sexual objects or the subjects of physical or sexual abuse. Such exploitation of women and children for commercial motives in order to provide public entertainment seriously undermines a society's respect for the dignity and worth of all individuals. The Committee believes that a society's laws should not condone or appear to condone the mistreatment of any individual or any group of individuals.

Your Committee recommends that:

The Attorney-General for Ontario increase his efforts to enforce the "obscenity" provisions of the Criminal Code.

THE ONTARIO POLICE COMMISSION

Created in 1962 by an amendment to the Police Act, the Ontario Police Commission performs an oversight function in regard to the 127 local police forces in Ontario. The Commission is an independent agency within the purview of the Solicitor General's administrative portfolio.

The Commission's principal responsibilities under the Act lie in the following areas: to ensure that there is adequate police training, the Commission is made responsible for the Ontario Police College; to ensure that there is adequate province-wide policing, the Commission inspects and advises local police forces on personnel, equipment, organization and management matters; in addition, the Commission co-ordinates and funds an inter-force communication network; and under the Act, the Commission can conduct inquiries and hear appeals with respect to disciplinary matters.

In order that it can carry out these responsibilities and functions, the Commission is constituted as follows. Three members appointed by the Lieutenant Governor in Council comprise the Commission. One member is designated as the chairman and serves full-time, while the two other members serve part-time. With the passage of Bill 107, in the First Session of the 32nd Legislature the Commission in future can be expanded to a maximum of nine members.

The work of the Commission is organized through branches and specified activities. The Inspectorate Branch, with a director and six officers provides a variety of advisory and consulting services to local police forces ranging in size from the very large Metropolitan Toronto Police Force to the very small police villages. The staff visit and inspect these forces with a view to making recommendations as to their efficiency and service delivery capabilities. While some criticism has been leveled at the adequacy of these inspections, recent administrative changes at the Commission have sought to ensure that these inspections are conducted regularly and on a professional basis.

The Intelligence Branch operates to combat organized crime in Ontario by maintaining an exclusive network of surveillance and communications equipment; by training police personnel in various aspects of organized crime and intelligence-gathering procedures; and by supplying support staff and secure premises for the Provincial Bureau, Criminal Intelligence Service - Ontario (CISO). The latter Bureau constitutes the central intelligence depository and receives information via computer links with the federal Automatic Criminal Intelligence Information System (ACIIS) and with the Ontario Provincial Intelligence Computer system (OPIC). In addition, the Provincial Bureau, composed of 28 municipal police forces and the Commission, operates a joint force system of intelligence gathering in the province. The staff consists of nine civilian members from the Branch and seven members seconded from the local forces.

The Technical Services Branch with a staff of 17 specializes in systems, data processing, and radio and telephone communications. The Branch seeks to ensure that police forces in Ontario have the technical capability of planning and applying police information systems for their needs. One information system, OPIC, provides all police forces with direct access to the Canadian Police Information Centre (CPIC) files in Ottawa, that includes such information as relate to criminals, wanted persons, stolen motor vehicles, stolen property, etc. The CPIC network in Ontario is funded by a cost-sharing agreement with the Government of Canada. There are now 220 terminals in operation in Ontario. In the last several years, the rapid development of information technology has meant that an increasing amount of time, energy and resources have been devoted by the Branch to ensure the operational efficiency of communication networks used by police forces in Ontario.

As part of its statutory mandate, the Commission also maintains extensive statistical records and research studies for the use of local police forces and police governing authorities.

Under the Police Act Regulations, the Commission has been given responsibility to hear appeals arising out of disciplinary proceedings at the local police level. These proceedings are commenced on the charge that a chief of police, officer or constable has breached the Code of Offenses.

Finally, it should be pointed out that the Police Act contains no specific provision or mechanism by which a citizen can lodge a complaint against a police officer directly with the Commission. Since 1978, however, the Commission has encouraged local forces to adopt a Citizen Complaint Program and most have done so.

Recommendations

The Ontario Police Commission, in the opinion of your Committee, is performing an important and worthwhile function in providing its special services to the Ontario police community, services which seek to ensure that a high level of police performance is maintained in the Province. The Committee, however, believes that some improvements can be made to the way the Commission operates and fulfils its mandate.

As was previously mentioned, the Commission conducts inspections of the various police forces in the province. Such inspections, with their focus on the efficiency of operations and the quality of service to the public, are an important method by which the public interest is served and accountability strengthened. In the course of its hearings, the Committee heard testimony that not always are the recommendations of such inspections implemented by the local forces. The question arises whether the Ontario Police Commission should have the power to compel the implementation of its inspectors' recommendations.

An argument in favour of making the implementation of the recommendations compulsory is that the recommendations clearly seek to improve service to the public, and not implementing them adversely affects the public. On the other hand, it is conceivable that there may be specific local conditions which may inhibit a local council or police governing authority from implementing such recommendations. In addition, the granting to the Ontario Police Commission of powers to compel a local police force to comply with its recommendations may be perceived as an undue interference by one level of government in the affairs of another level of government. For these reasons, the Committee feels that it cannot make a specific recommendation, save that the issue should be further studied by all parties concerned.

Nevertheless, your Committee believes that the Ontario Police Commission's inspections are necessary if quality police service to the public is to be maintained in Ontario. Under present arrangements, the Commission only makes inspections of local forces. It is the Committee's opinion that the Ontario Provincial Police should also be subject to inspections by the Ontario Police Commission. Given the size of that force, however, any annual inspection would out of necessity have to be limited to some particular aspect of the O.P.P.'s activities. The Committee would also like to recommend to the Ontario Police Commission that when its inspectors make their visits, they establish contact not only with the local chief of police, but also the local municipal council and/or the local police governing authority in order that all opinions may be canvassed during the inspection process.

Your Committee recommends that:

The Ontario Police Commission make its inspections of the Province's local police forces and the Ontario Provincial Police mandatory on an annual basis, and that any recommendations that result from such inspections be made public.

In making its recommendation that the inspection reports be made public, the Committee is of the opinion that discretion should be exercised by the Commission with respect to comments or references to personnel matters in the inspection reports.

With respect to the training and education of police, the Committee is of a view that a number of improvements can be made. Police officers will gain greater confidence in themselves and the general public will be assured as to the ability of their local police forces, if all police officers have undergone extensive training before they are hired. There are some forces in Ontario which do not send their prospective candidates to the appropriate training courses as provided by the Ontario Police College.

Your Committee recommends that:

A system of training of all police officers be made compulsory prior to their being hired by the local force.

The Committee acknowledges that in addition to practical and technical training, police officers receive courses in law, psychology and other related disciplines as part of their overall training. Such courses may be taken at the Ontario Police College, a community college or at a university. Because, however, police officers may have taken such courses at various times in their careers and at various institutions, they do not receive credit towards a university degree. The Committee supports the desire of police officers to gain such accreditation, as this would lead to an overall rise in the quality of police performance.

Your Committee recommends that:

The Ontario Police Commission pursue the question of university accreditation of police courses with the Ministry of Colleges and Universities.

With respect to technical training, the Committee feels that in two areas improvements could be made. First, it is important that all police forces in the Province have the opportunity to improve their skills with respect to the proper use of firearms.

Your Committee recommends that:

The Ontario Police Commission conduct firearm training on a regional basis throughout the Province.

Second, the Committee is of the view that police pursuits, while necessary, can potentially end in tragic consequences not only for the principals involved but also for third parties. There is a need, therefore, for police officers to be adequately trained in such matters.

Your Committee recommends that:

The Ontario Police Commission initiate training courses in police pursuits.

Another area of concern to the Committee is the present citizens' complaints process. The Police Act as it now stands does not include any provision or mechanism for citizen complaints. However, in 1981, the Legislature enacted the Metropolitan Police Force Complaints Project Act, which provides for a citizen complaint review process for the Metropolitan Toronto Police Force. This project has been established for a three-year period, at the end of which the Act will automatically be repealed. While the Committee welcomes this experiment, it draws attention to the fact that no similar statutory experiment has been established for other police forces in Ontario. Rather, the Ontario Police Commission has, since 1978, introduced an informal process, adopted by most police forces, whereby a citizen first complains to the local police force where the matter is taken up by the chief of police. If the matter cannot be resolved there, it can be taken to the local police commission or committee of municipal council. Only after these two steps have been taken will the complaint be taken up by the Ontario Police Commission. The Committee believes that a number of refinements should be made to this process. First, there should be a statutory right provided in the Police Act for a citizen to make a complaint against the police.

Your Committee recommends, therefore, that:

The Police Act be amended to provide for the right of a citizen to lodge a complaint against a member of any police force in the Province.

Second, the Police Act, as presently enacted, does not recognize the Ontario Police Commission as the final body of appeal in citizen complaint matters.

Your Committee recommends that:

The Police Act be amended to recognize the Ontario Police Commission as the final appeal body with respect to citizens' complaints.

Third, the Public Authorities Protection Act prescribes a six-month statutory limitation when an action or prosecution can be commenced against a police officer. The Committee believes that this time period is too short and that the limitation period should be increased to one year.

Your Committee recommends that:

The Public Authorities Protection Act, R.S.O. 1980, c.406, s.11(a), be amended by increasing the period of time when proceedings against a police officer can commence to one year.

With respect to the complaint process at the local level, the Committee draws attention to the fact that ordinarily a complaint against a police officer is lodged with the local chief of police. While the Committee recognizes the responsibility of the chief of police in disciplinary matters, it is of the view that avenues open to a citizen when lodging a complaint should be extended to include the option of lodging a complaint with the local police governing authority in addition to the chief of police.

Your Committee recommends that:

The citizen complaint process consist of two steps. In the first instance a complaint may be lodged with the local chief of police or local police governing authority. Any appeal therefrom would lie directly to the Ontario Police Commission.

The Committee also believes more could be done at the local level to make the public better aware of the citizen complaint process. Local forces could publicize the telephone number which the public can call to lodge a complaint and issue a pamphlet or other literature describing a citizen's rights and the complaint mechanisms available to him.

Your Committee recommends, therefore, that:

Local police forces increase their efforts to publicize their complaint procedures.

The Ontario Police Commission, in the opinion of the Committee, should give further direction and guidance to the local police forces in the matter of citizens' complaints. To aid in this endeavour, the Ontario Police Commission should assign to an official of the Commission the responsibility of monitoring the complaints process at the local level and providing guidance and direction where necessary.

Your Committee recommends that:

The Ontario Police Commission charge one of its officers with the responsibility of overseeing and monitoring the citizen complaints process in the various police forces in the Province.

As was mentioned previously, every police officer, of whatever rank, is subject to the Code of Offences as prescribed by the regulations issued under the Police Act. Such a charge could issue out of a citizen's complaint or may arise out of an action taken by the local police force. The police officer can appeal the verdict that may ensue from a local disciplinary proceeding to the Ontario Police Commission. The Commission, consisting of the chairman and the two other members then have the responsibility of deciding the case and the Commission's decision is final. In reviewing this procedure, the Committee, while it believes the Commission exercises its discretion and jurisdiction fairly, would like to draw attention to the fact that this arrangement may create a false impression of how the disciplinary process works. The ordinary constable charged with an offense may not be entirely reassured that he has received a fair hearing where the judges, the three Commissioners, also act as advisors to local chiefs of police and police governing authorities. Consequently, in order for justice not only be served but also appear to be served, the Committee proposes that a permanent and full-time Vice-Chairman be appointed with the responsibility of hearing appeals arising out of charges under the Code of Offenses.

The Committee in making this proposal firmly believes that there should be within the Commission a clear separation of functions between the quasi-judicial function and the administrative and advisory functions. A permanent and full-time Vice-Chairman with the above-described responsibilities would help in increasing confidence in the Commission's quasi-judicial function.

Your Committee recommends that:

There be appointed to the Ontario Police Commission a permanent and full-time Vice-Chairman with responsibility to hear appeals stemming from charges that the Code of Offences has been breached.

Further, the Committee believes that the impartiality of the appeal process would be greatly strengthened if panels of three were constituted by the Commission to hear such appeals.

Your Committee recommends that:

The Ontario Police Commission create a panel of three to hear appeals arising from alleged breaches of the Code of Offences and that the panel consist of the Ontario Police Commission Vice-Chairman, a representative of the chiefs of police, and a representative of the ordinary police officer.

TORONTO AREA TRANSIT OPERATING AUTHORITY

The Toronto Area Transit Operating Authority (TATO) was established by statute in 1974 as a Crown corporation without share capital, and is comprised of seven members. The Chairman is appointed by the Lieutenant Governor in Council, while the other members are the Chairman of the Metropolitan Council of the Municipality of Metropolitan Toronto, as well as the Chairmen of the regional councils of Durham, Halton, Hamilton-Wentworth, Peel and York. The Authority is an operational or a service delivery agency with statutory responsibilities for the operation of the GO transit commuter system.

The principal policy objective of the GO transit system is to direct motorists away from automobile use and in the process reduce the need to build multi-million dollar expressways. For this plan to be cost-efficient the rail operations have had to depend on existing rights-of-way owned by the national railways. Were the GO system to acquire its own rights-of-way and build the necessary tracks, etc., the cost could well be prohibitive. Thus, TATO has entered into multi-year contracts with Canadian National Railways and to a lesser extent with Canadian Pacific Railways for the use of the railways' rights-of-way.

For the GO system as a whole to be operationally effective, a high degree of co-ordination and integration of the system with the regional and local municipal transit authorities is required. The Authority's enabling legislation recognizes this and makes the Authority responsible for the creation and operation of inter-regional transit systems within the boundaries of the above-mentioned municipalities, and places chairmen of regional municipalities on the Authority board to aid co-ordination and integration of the various transport modes within the inter-regional system.

Since 1974 when TATO took over operating the GO system, that system has expanded with respect to both rail and bus operations. Rail services include lines running east and west of Metropolitan Toronto as far as Pickering on the east and Hamilton on the west. There is also the Richmond Hill line, the Georgetown line, and the new Milton line. Maintenance facilities for the rail services were completed at Willowbrook in 1980.

Bus services extend in a grid system from Metropolitan Toronto to the east as far as Bowmanville, to the west as far as Hamilton and Guelph, and as far north as Barrie and Sutton, and to the northeast as far as Uxbridge. While the bus services, in conjunction with the regional transit systems, still principally serve the rail commuter system, they also operate as a separate network with regional terminals at Yorkdale, Hamilton, Oshawa, and Newmarket. The bus fleet has its own maintenance facility north of Downsview.

In addition to the rail and bus services, the Authority has been involved in several other projects and activities. During the last several years it has been involved in corridor rationalization studies with local transit systems. The objectives of the studies are to identify deficiencies and duplications in both GO and local service; to determine the potential for rationalization or integration of identified services; and to minimize the need for tax subsidies by tailoring service level to demand. Thus, the Authority has conducted studies along the Whitby-Oshawa-Bowmanville route, and the Hamilton-Burlington-Oakville route.

Another project of the Authority is fare integration. An experiment was launched in Brampton in 1979 and in Oakville in 1980. The aim of fare integration is to charge a passenger only the GO fare, and permit him or her to transfer free between the GO system and local bus service. Under this system, GO pays 75% of the cost.

The Authority has several other projects and studies under way to improve service, increase efficiency and reduce costs. These include the TeleGO system which monitors by computer the exact location of trains. Information on arrivals can then be directly communicated to the public. It is also monitoring the needs of the handicapped, and reviewing ways to improve fare collecting. In this latter regard, the Authority is considering an automated system and a self-serve system. The Authority is also studying ways to conserve energy, with the best results coming from its Willowbrook rail facility. Moreover, as part of the BILD program, the Authority in conjunction with other government agencies is studying the feasibility of electrification of the rail lines.

Recommendations

The Committee, in reviewing the operations of TATOA, is strongly of the opinion that the contract between the Authority and CN is highly inequitable. The ten-year contract includes a provision which requires TATOA to pay CN a profit over and above the use of CN's rights-of-way. The Authority on the evidence presented to the Committee had no option but to agree to this arrangement since refusal could have jeopardized the Authority's ability to use CN's rights-of-way and could have forced the Authority to terminate its rail operations and as a corollary require it to establish its own rights-of-way, a highly expensive proposition.

The Committee believes that all the people of Canada own the CN rights-of-way and that the mandate of Canada's national railway is to serve the public interest. The continued viability of the GO commuter rail system in the Metropolitan Toronto and surrounding area is clearly in the public interest. The position taken by CN, however, suggests that this objective has been made secondary to the CN's objective of recording a profit on its balance sheet. The Committee expresses its deep concern about this contract which appears to favour one Crown corporation at the expense of another Crown corporation, and ultimately the public. The Committee, therefore, supports the proposition that the CN-TATOA contract be renegotiated.

Your Committee recommends that:

The Minister of Transportation and Communications, supported by the authority of the Cabinet, enter into negotiations with Canadian National Railways with a view to establishing a more equitable contract between Canadian National Railways and the Toronto Area Transit Operating Authority.

Under TATOA's enabling legislation, the Authority is made responsible for the creation and maintenance of an inter-regional commuter system, with local and regional services being provided by the local transportation authorities. And while the Authority's mandate with respect to inter-regional services requires a high level of integration between the inter-regional and regional systems, it is

important that duplication not occur leading to waste of resources. The Committee suggests that the Authority take care to avoid situations where its bus services in particular overlap with those of the regional and local municipalities.

Your Committee recommends that:

The Toronto Area Transit Operating Authority ensure that its services, particularly bus services serving the inter-regional mandate of the Authority, not duplicate similar services provided by the regional and local municipalities.

The Ontario Government has established that TATO A recover 65% of its operating costs from fares. The Authority at present is only able to recover approximately 50% of its operating costs through its fare system. There are a number of reasons why the target ratio of 65:35 has not been achieved: escalating operating costs, including the need to provide CN with a profit, and Authority's concern that a higher fare structure would lead to a drop in ridership. While the Committee appreciates the implications of higher fees, it does feel, nevertheless, that the 65:35 ratio of fares to subsidies is a worthy objective.

Your Committee, therefore, recommends that:

The Authority implement a fare rate that will come closer to a 65:35 ratio.

Finally, the Committee has reviewed the question of expanding rail services to a number of communities within the Authority's commuter shed. It understands that consideration will shortly be given to extending full rail service to Oshawa. Further, the Committee understands that TATO A in conjunction with Canadian National Railways is in the process of conducting feasibility studies with respect to the implementation of full service to Burlington. The Committee believes that that study should extend to include the possibility of full service to Hamilton/Stoney Creek.

Your Committee recommends that:

The Ministry of Transportation and Communications initiate the extension of rail commuter service to Oshawa on the east and Hamilton/Stoney Creek on the west.

Recently, the Government of Canada decided to terminate rail service along a number of routes, including those serving Barrie and Uxbridge. The withdrawal of rail service to these communities, a federal responsibility, has placed the Ontario Government in the position of having to consider extending the GO system. The Committee supports the extension of rail services to these communities.

Your Committee recommends that:

The Minister of Transportation and Communications give consideration to extending GO rail service to Barrie and Uxbridge.

THE ONTARIO ENERGY BOARD

The Ontario Energy Board is a quasi-judicial regulatory agency that has been given certain powers under the Ontario Energy Board Act, as well as several other Acts. At present there are nine members of the Board appointed by Lieutenant Governor in Council. Two members constitute a quorum and can exercise all the powers and jurisdiction of the Board.

Under the Ontario Energy Board Act, the Board is given power to approve and fix rates and charges for the sale, transmission, distribution and storage of gas. Moreover, it can grant leave to construct transmission pipe lines, production lines, distribution lines and stations, and can grant authority to expropriate land for pipe lines and stations. The Board can recommend which lands are to be designated as gas storage areas and can authorize the storage of gas in a designated gas storage area. It can require the joining of interests in gas and oil pools, and order the sharing of storage capacity and facilities and the approving of terms of storage agreements. It can also grant leave to discontinue supply of gas, and hear applications with respect to the selling, leasing or conveying or other disposition of gas transmission and storage facilities or the acquisition of more than 20 percent of the shares of a gas transmitter, gas distributor or storage company. The Board also reports to the Minister of Energy with respect to references relating to permits to buy, drill or deepen wells in designated gas storage areas. By reference from the Lieutenant Governor in Council it can examine and report on any matter pertaining to energy. It can allocate a just and equitable share of the market demands for gas and oil. Responsibility is also given to the Board with respect to Ontario Hydro. Where Hydro proposes a rate change, the proposal goes to the Minister of Energy who refers it to the Board, which in turn holds a public hearing and reports its findings to the Minister. The Minister can also have the Board study other matters relating to Ontario Hydro activities.

Under the Municipal Franchises Act, the Board is required to give approval to the terms and conditions of franchise agreements between municipalities and gas distributors. In addition, the Board has the power to grant certificates of public convenience and necessity for the supply of gas.

The Board under the Assessment Act has the power to decide disputes arising out of whether a gas pipeline is a transmission line for assessment purposes.

The Public Utilities Act empowers the Board to determine if gas distributors have contravened municipal by-laws prohibiting the sale and distribution of sulphuretted hydrogen.

The Board can also order the removal of conduits, and pipes and other works of companies on proof of their contravention of a municipal by-law.

Under the Petroleum Resources Act, the Board on a reference from the Minister of Natural Resources can be asked to make a report with respect to an application for a permit to repressure, maintain pressure in or flood any geological formation by the injection of oil, gas, water or any other substance. The Board must be asked for its opinion where the injection is within 1.6 kilometres of a designated gas storage area. The Board can also be asked by the Minister or an applicant for a license or a permit issued under the Act, to hold a hearing and report to the Minister on the advisability of issuing a permit or license. Similar conditions apply with respect to any renewal of a license or permit. Where a person contravenes the provisions of the Act setting out the offences the Minister may refuse to grant a license or permit and can refer the matter to the Board, or the aggrieved person can apply for a hearing from the Board where the Minister makes no reference to the Board.

Practices and Procedures of the Board

The Board has in all matters within its jurisdiction, authority to hear and determine all questions of law and of fact, and in addition has been given all the powers, rights and privileges vested in the Supreme Court with respect to the amendment of proceedings, addition or substitution of parties, attendance and examination of witnesses, production and inspection of documents, entry on and inspection of property, enforcement of its order and all other matters necessary or proper therefor.

Proceedings before the Board can commence either by the filing of an application, by reference from the Minister of Energy or the Minister of Natural Resources, by an order of the Lieutenant Governor in Council, or by the Board's own motion. Except under special circumstances, the Board is obligated not to make any final decision, final opinion or make a regulation without first holding a public hearing. At its discretion the Board may hold hearings in any part of Ontario, and municipalities are obligated to provide a court house or a hall for the Board's proceedings.

Two members of the Board can make any determination and decide a case. The Board's practice, however, has been to create panels of three at the Chairman's discretion, in order to avoid situations where one member may be absent for some reason. As well, panels of three avoid instances where the two members cannot agree on a final decision. There may be an argument to be made for establishing panels of three in the Act. It should be pointed out that the panel once established by the Chairman conducts its deliberations independently of any direction from the Chairman or other members of the Board.

All proceedings before the Board, apart from those specifically exempted by the Board by Regulation, shall be commenced by filing an application, which has to be made in conformity with the Board's practices (see Ontario Regulation 627). It is required that the application "contain a clear and concise statement of the facts, the grounds of application, the provisions of the Act under which it is made, the nature of the order applied for and the relief or remedy to which the applicant claims to be entitled". Where the application is likely to affect any person other than the applicant, the latter must furnish the name and address of that person, and where for practical reasons this cannot be done the applicant must give a general description of each class of persons affected by the application, and a brief statement of how each class of persons will be affected by the application.

Once the application has been filed, the Board then issues instructions with respect to the form of notice of the application and the service of notice of the application. At the same time the Board will set a date for hearing the application.

Anyone who seeks to oppose or intervene in an application must file an answer to the application with the Board and serve a copy to the applicant or his solicitor, and this must be done within fourteen days after the intervening party has been given notice of the application.

The opposing or intervening party's answer to the applicant must contain a clear and concise statement of the interest of the respondent and his grounds for opposing the application or otherwise intervening. In turn the original applicant can file an answer to the intervening party's statement. The original applicant must file and serve his answer within ten days of receiving the intervening party's answer to the original application.

The actual hearing does have a court-like atmosphere and the proceedings are similar to those of a court. The three members of the panel sit on a raised dais, with tables below for the applicant and his legal counsel; the intervener and his counsel, and the Board's legal counsel. There is also room for spectators. The proceedings will usually commence with the presentation of the case of the applicant followed by the arguments of intervenor(s). Cross-examination and rebuttal is permitted. The Board's legal counsel and/or other officers of the Board finishing the proceedings with further questioning. The actual proceedings are under the control of the designated Chairman of the panel.

Once the hearing process has been completed the members of the panel with the assistance of the Board's staff will write the decision and issue the appropriate order.

The Board has also been given discretion with respect to the costs of any proceeding, including incidental costs, and can decide by whom and to whom they should be paid. The Board can also determine the costs of the Board.

Appeal Process

It has become an accepted principle of administrative law and theory that where an administrative decision by a board or agency materially affects an

individual, that individual should have the right of appeal. With respect to the Energy Board, the Act provides that on any question of law the Board, the Lieutenant Governor in Council, or any party to a proceeding can ask the Ontario Court of Appeal to give its opinion on the question of law. The Board, however, does not have to obey the order of the Court of Appeal, a fact noted by the McRuer Report as unsatisfactory.

Where, on the other hand, the Board has issued an order, any question as to law or jurisdiction can be appealed to the Ontario Court of Appeal, and where the Court makes a judgment, the Board is bound to act in the manner prescribed by the Court, save that such an order cannot then be made retroactive. This appeal process does not suspend for the time of the appeal an order with respect to the setting of rates, nor does it apply to any opinion, determination, etc., made by the Board with respect to Ontario Hydro.

In addition, any person or party may petition the Lieutenant Governor in Council within 28 days after the Board has issued an order or decision, and the Lieutenant Governor in Council may confirm, vary or rescind the whole or any part of the Board order or decision, or require the Board to hold new hearings. The Board's decision after such a hearing is no longer appealable. Mr. Justice McRuer pointed out that there was some ambiguity as to whether this right to petition the Lieutenant Governor in Council applies to any and all orders of the Board, or only to orders dealing with rate-setting, since no explicit right of appeal is contained in those sections of the Act dealing with the construction of pipe lines.

Finally, the Board can at its discretion rehear or review any application before deciding it and can by order rescind or vary any order made by it.

Recommendations

The Board can be authorized by the Minister of Energy to conduct hearings and make recommendations with respect to Ontario Hydro; however, the Board cannot issue an order to Ontario Hydro as the Board does with respect to gas

company rates. The Committee notes that the Board follows the same procedures in dealing with Hydro rates as it does with gas rates; that is, it conducts public hearings, and reviews all the relevant information. However, instead of an order the Board only makes a recommendation to the Minister of Energy. The public interest would be better served and the accountability of Ontario Hydro to the people of Ontario would be strengthened if the Ontario Energy Board had the power to complete the process of reviewing the proposed Hydro rate increases by having the power to order the final rate structure.

Your Committee therefore, recommends that:

The Ontario Energy Board Act be amended to provide that the Board have power to issue orders with respect to Ontario Hydro rate increases.

The Federal energy policy prescribes that there be periodic upward adjustments in the price of natural gas and oil. Such costs to the gas companies are a fixed and non-discretionary component of their pricing structure that is ultimately passed on to their customers. It has been the policy of the Energy Board to hold public hearings on each price increase proposed by the gas companies where the price increase is solely the result of an increase in the city gate price of natural gas. In view of the fact that such an increase is a fixed cost, the holding of public hearings and the expense that that entails not only for the Energy Board but also the applicants would seem to be unnecessary and wasteful. It should be pointed out, however, that the Energy Board as a matter of practice would review any new price increase resulting from an increase in the city-gate price of natural gas when hearings on all other price increases requested by a gas company are held by the Board.

Your Committee recommends that:

The Ontario Energy Board be authorized to introduce an automatic pass through system for those gas rate increases that result solely from the increase in the city-gate price of natural gas.

It is the policy of the Government of Ontario to make its various agencies, boards and commissions financially self-supporting in order that overall

government expenditures can be restrained. The Ontario Energy Board at present is able to recover a portion of the its costs arising out of public hearings, through a prescribed fee structure though it is not able to recover the full cost of operating the Board, which in the fiscal year 1980-81 was \$1 443,905.00. In keeping with the Government's policy of asking its agencies to be financially self-supporting, the Committee believes that the Board should charge fees that would cover the full cost of operating the Board.

Your Committee recommends that:

The Ontario Energy Board in future charge fees sufficient to recover the full costs of operating the Board.

A matter of some concern to the Committee is a situation where a particular gas distributor ceases its operations thereby leaving its customers without service. It is not clear under these circumstances what responsibility the Ontario Energy Board or the Minister of Energy has toward ensuring that these customers continue to be served.

Your Committee therefore recommends that:

The Minister of Energy be authorized to ensure uninterrupted service in the event of a gas company ceasing its operations.

The Committee was made aware that there are instances when a gas distributor will terminate service to an individual customers, where that customer has seemingly failed to abide by the contractual terms and conditions established by the distributor. While the Committee recognizes that a gas distributor should have the right to terminate service where the customer wilfully neglects to honour the terms and conditions of the contract between him and the distributor, it does feel, however, that such termination should only be used in extreme situations, and only after the customer has had the opportunity of appealing his case. More specifically, the Committee wishes to express its concern with the practice of terminating service on a Friday, thus leaving the customer without service over the weekend. It would appear that the gas companies do not employ staff with authority to order a resumption of service during the weekend.

Your Committee recommends that:

The Minister of Energy establish a policy for gas companies with respect to the termination of gas supply to a customer, in order to give the customer every opportunity to resolve his or her contractual dispute with the distributor.

In the Report of the Royal Commission Inquiry Into Civil Rights (the McRuer Commission, Volume 5, Report number 3) the Commission points out that under the Ontario Energy Board Act a number of procedural inconsistencies exist with respect to the means by which the Board exercises its powers and the right of appeal from decisions and orders of the Board. The Committee is of the opinion that the Board and the Minister of Energy should consider amendments to the Ontario Energy Board Act to effect the McRuer recommendations.

Your Committee recommends that:

The Minister of Energy and the Ontario Energy Board propose amendments to the Ontario Energy Board Act on the basis of the recommendations of the Royal Commission Inquiry into Civil Rights.

III MINISTERIAL RESPONSES TO THE 4TH REPORT

As part of its review process, your Committee has sought to follow up its recommendations with respect to the following agencies reviewed in the Committee's 4th Report. The agencies reviewed were:

Ontario Racing Commission
 Farm Pollution Advisory Committee
 Hockey Ontario Development Committee
 Ontario Place Corporation

With respect to the Ontario Racing Commission, the Minister of Consumer and Commercial Relations stated in a letter dated 3 March 1982 his response to the Committee's recommendations.

Recommendation

The Ontario Racing Commission institute a thorough and complete check of all applicants who have direct access to horses and drivers prior to a race before issuing a license to the applicant.

The Minister indicated that while "the procedures currently in use are satisfactory," the Ontario Racing Commission will pursue the matter further.

In light of the recommendations of the Committee, however, the Commission has requested the administration to explore methods by which licencing information and its authenticity can be verified on a more expedient basis.

Recommendation

The Ontario Racing Commission institute a pre-race breathalyzer test for every driver and jockey prior to each racing card.

The Minister stated that:

The Commission concurs with the recommendation that pre-race breathalyzer tests should be performed on every driver and jockey prior to each card of racing. Due to costs however, breathalyzers are currently being used on a random basis. The Commission has instructed the administration to request an additional \$200,000 for the purchase of breathalyzer equipment and the hiring of staff in order to implement this recommendation.

Recommendation

The Minister of Consumer and Commercial Relations request the Federal Department of Agriculture to institute post-race urine testing of at least those horses that finish first, second and third.

The Minister's response was that:

The Commission agrees with the recommendation that a letter be forwarded to Agriculture Canada requesting post-race urine testing of at least those horses that finish first, second and third.

Recommendation

The Minister of Consumer and Commercial Relations recommend to the Cabinet that the remuneration of Commission members be more equitable.

The Minister stated that this question was "under review at the moment."

Finally, the Committee in its report drew attention to what it believed was the results of the Race Track Tax rebate programme; namely that the programme "tends to favour those participants and race tracks who are doing well and who would do so without assistance from the programme." In addition, the Committee believed that the programme should not leave out grooms, attendants and apprentices. The Minister indicated that the Commission's view was that without the rebate programme the result would be "substantially lower purse money for those participating at smaller race tracks and this would lead to decreased earnings all down the line, down to the trainers and grooms at small tracks."

The Committee's recommendation in regard to the Farm Pollution Advisory Committee stated that:

The Minister of the Environment should terminate the Farm Pollution Advisory Committee.

In reply, the Minister of the Environment stated in a letter dated 14 January 1982, that this Advisory Committee was to be reviewed under the sunset provisions for advisory agencies by Management Board of Cabinet in March 1982, and as a consequence the Ministry would not "at present be making a detailed response to your the Committee's proposal or taking action on it."

With respect to the Committee's recommendations in regard to the Hockey Ontario Development Committee, the Minister of Tourism and Recreation has provided a response in a letter dated 20 April 1982.

Recommendation:

The Hockey Development Committee prepare a detailed progress report on the operation, objectives and achievements of the Committee prior to 1983 and submit it to the Minister of Culture and Recreation (now Minister of Tourism and Recreation).

In response, the Minister stated:

This process is now fully in place, and the year-end report for 1981-82 is expected in the near future. The Hockey Ontario Development Committee, in planning its activities for the current year, is preparing to embark on an active marketing program, to attempt to generate a significant part of its operating budgets in the private sector, reducing its nearly total dependence on government funding by the end of the three-year special financing agreement with my Ministry in May, 1983.

Recommendation:

One governing body be created for all amateur hockey in Ontario.

The Minister of Tourism and Recreation responded by stating that:

My Ministry has pursued the latter objective, not only as a result of recent problems which could be attributed to the divided jurisdictions which exist, but also since this is a general policy direction we follow with all amateur sports. We have made our support for this development known to the hockey organizations, and I am pleased to report there have been some encouraging indications of possible movement in this direction.

My staff advise that there seems to be general agreement with this concept in responses to a study of the subject being carried out by the Canadian Amateur Hockey Association. There would seem to be some basis for optimism that some positive developments may occur in the next few months.

Recommendation:

The Hockey Ontario Development Committee strive to reduce any and all practices that curtail the right of players at a young age to play amateur hockey.

With respect to this recommendation, the Minister indicated that the matter was "not specifically within the jurisdiction of either my Ministry or Hockey Ontario Development Committee."

Finally, in response to the Committee's recommendations with respect to Ontario Place Corporation, the Acting Deputy Minister of the Ministry of Tourism and Recreation made the following comments in a letter dated 22 April 1982.

Recommendation:

Ontario Place Corporation should establish an objective whereby its annual revenues are sufficient to cover operating expenses.

In response to this recommendation, the Acting Deputy Minister points to the fact that the Memorandum of Understanding between the Ministry and the Corporation makes the financial self-sufficiency of the Corporation a policy objective, but the Memorandum also includes provision for the subsidization of the Corporation where because of Government policy the Corporation has introduced "lower than break-even admission and/or attraction prices". The Acting Deputy Minister further relates specific measures that have been, or are soon to be, introduced to assist the Corporation in increasing revenue to cover operating expenses.

In order to assist the Corporation towards its goals of financial self-sufficiency in operating costs, a number of initiatives have recently been undertaken at Ontario Place. These initiatives include the use of Pod 5 as a showcase for Canadian technology ("Future Pod") to be officially opened by the Premier of Ontario

on June 23, 1982; the introduction of "Telidon" at Ontario Place this season, which will be programmed with tourist information for travel throughout the Province of Ontario; the construction of a new Travel Information Centre on site, which will provide information and material from the Tourism Marketing Branch of the Ministry; as well as other new features such as the introduction of new revenue attractions -i.e: "Remote Control Boats."

Recommendation:

The Minister of Industry and Tourism (now Minister of Tourism and Recreation) make representations to the Toronto Transit Commission to request that the Commission provide improved transportation services to the grounds of Ontario Place.

It is pointed out by the Acting Deputy Minister that the Government of Ontario is committed under the BILD program to support the development of an Intermediate Capacity Transit System (ICTS) and that as part of that program the Ontario Government in concert with Metro Toronto will introduce an ICTS in Toronto which "will run from Union Station to connect the recreational and tourist attractions along Toronto's waterfront, including Ontario Place...". The Acting Deputy Minister anticipates that "significant improvement of transportation services to the grounds of Ontario Place will be achieved through the construction of an ICTS along Toronto's waterfront." Further, the statement is made that the Government of Ontario "will continue to make strong representation to Metro Toronto in order that this new transportation system may be approved and constructed as soon as possible "

Recommendation:

The Corporation concentrate its efforts on the consolidation of its revenue base rather than undertaking major expansion at this time.

The Acting Deputy Minister states that the Board of Directors of the Corporation have approved as of 22 January 1982, the development of a strategic 5-year plan, and that the Corporation will be assisted in this project by the utilization of consultants in such fields as economics, finance, graphic design, electrical, mechanical, and structural engineering. In addition, Mr. E. Zeidler, the original architect, will assist in the development of the plan.

The conceptual development plan will concentrate on the physical development potential of Ontario Place, in order to assist the Corporation towards its goal of revenue self-sufficiency. Any major expansion, necessary to achieve consolidation of the revenue base, will be directed towards upgrading present attractions and facilities rather than the creation of additional land-fill on the site.

Recommendation:

Ontario Place Corporation actively continue to seek out Canadian talent to perform at the Forum.

Support for this recommendation comes from the Acting Deputy Minister's statement that "a total of 150 out of 245 performances in 1981 were by Canadians (61%)" and, further, with respect to performers at the Bandstand and Showboat at Ontario Place, 100% are Canadian as are those performers who entertain children.

Finally, the Acting Deputy Minister offers some comments with respect to two of the Committee's predictions.

Prediction

"Ontario Place will thus have to provide more passive forms of activity in order that the Corporation can cater to our older citizens."

Ontario Place Corporation, the Activity Deputy Minister indicates, has taken this problem under consideration and recognizes the future demographic shift in the population of Ontario. Consequently, the Corporation is in the process of introducing several new activities which will appeal to our senior citizens. One such new activity is "Future Pod" which will showcase "the latest high developments in music, communications, aerospace computer games, education and energy", and another is the presentation of "music under the stars" on the roller rink stage on Thursday, Friday and Saturday evenings, June 24th through July 17th."

Prediction

"It is possible that without further subsidization from the government, Ontario Place could in the coming years experience considerable budgetary problems". (Due to the present policy which requires that those over sixty-five enter free of charge)

The Acting Deputy Minister indicates that Ontario Place Corporation is aware of this potential difficulty, and will monitor the use of the park by senior citizens for statistical and planning purposes. In this way, "Ontario Place will be able to more easily and accurately track historical costs and forecast future costs of subsidies necessary for the province's senior citizens."

IV SUMMARY OF RECOMMENDATIONS

- The Board of Censors' name be changed to Ontario Classification and Censorship Board. (Page 6)
- The Board incorporate as part of its annual report its assessment of the community standards as it relates to the public exhibition of films, detailing how it arrived at that standard and the results of its studies. (Page 6)
- The Minister of Consumer and Commercial Relations ensure that those individuals appointed to the Board come from a cross-section of the Ontario community. (Page 7)
- The Attorney-General for Ontario make representations to the Minister of Justice and Attorney-General of Canada requesting that the Criminal Code of Canada be amended in such a way so as to make the definition of "obscene" encompass cruelty and violence independently of sexual representation. (Page 7)
- The Attorney-General for Ontario increase his efforts to enforce the "obscenity" provisions of the Criminal Code. (Page 8)
- The Ontario Police Commission make its inspections of the Province's local police forces and the Ontario Provincial Police mandatory on an annual basis, and that any recommendations that result from such inspections be made public. (Page 12)
- A system of training of all police officers be made compulsory prior to their being hired by the local force. (Page 12)
- The Ontario Police Commission pursue the question of university accreditation of police courses with the Ministry of Colleges and Universities. (Page 13)

- The Ontario Police Commission conduct firearm training on a regional basis throughout the Province. (Page 13)
- The Ontario Police Commission initiate training courses in police pursuits. (Page 13)
- The Police Act be amended to provide for the right of a citizen to lodge a complaint against a member of any police force in the Province. (Page 14)
- The Police Act be amended to recognize the Ontario Police Commission as the final appeal body with respect to citizens' complaints. (Page 14)
- The Public Authorities Protection Act, R.S.O. 1980, c.406, s.11(a), be amended by increasing the period of time when proceedings against a police officer can commence to one year. (Page 15)
- The citizen complaint process consist of two steps. In the first instance a complaint may be lodged with the local chief of police or local police governing authority. Any appeal therefrom would lie directly to the Ontario Police Commission. (Page 15)
- Local police forces increase their efforts to publicize their complaint procedures. (Page 15)
- The Ontario Police Commission charge one of its officers with the responsibility of overseeing and monitoring the citizen complaints process in the various police forces in the Province. (Page 16)
- There be appointed to the Ontario Police Commission a permanent and full-time Vice-Chairman with responsibility to hear appeals stemming from charges that the Code of Offences has been breached. (Page 16)

- The Ontario Police Commission create a panel of three to hear appeals arising from alleged breaches of the Code of Offences and that the panel consist of the Ontario Police Commission Vice-Chairman a representative of the chiefs of police, and a representative of the ordinary police officer. (Page 17)
- The Minister of Transportation and Communications, supported by the authority of the Cabinet, enter into negotiations with Canadian National Railways with a view to establishing a more equitable contract between Canadian National Railways and the Toronto Area Transit Operating Authority. (Page 20)
- The Toronto Area Transit Operating Authority ensure that its services, particularly bus services serving the inter-regional mandate of the Authority, not duplicate similar services provided by the regional and local municipalities. (Page 21)
- The Authority implement a fare rate that will come closer to a 65:35 ratio. (Page 21)
- The Ministry of Transportation and Communications initiate the extension of rail commuter service to Oshawa on the east and Hamilton/Stoney Creek on the west. (Page 22)
- The Minister of Transportation and Communications give consideration to extending GO rail service to Barrie and Uxbridge. (Page 22)
- The Ontario Energy Board Act be amended to provide that the Board have power to issue orders with respect to Ontario Hydro rate increases. (Page 28)
- The Ontario Energy Board be authorized to introduce an automatic pass through system for those gas rate increases that result solely from the increase in the city-gate price of natural gas. (Page 28)

- The Ontario Energy Board in future charge fees sufficient to recover the full costs of operating the Board. (Page 29)
- The Minister of Energy be authorized to ensure uninterrupted service in the event of a gas company ceasing its operations. (Page 29)
- The Minister of Energy establish a policy for gas companies with respect to the termination of gas supply to a customer, in order to give the customer every opportunity to resolve his or her contractual dispute with the distributor. (Page 30)
- The Minister of Energy and the Ontario Energy Board propose amendments to the Ontario Energy Board Act on the basis of the recommendations of the Royal Commission Inquiry into Civil Rights. (Page 30)

APPENDIX A

DISSENTING OPINION of Michael Breagh, M.P.P. and Brian Charlton, M.P.P.

Film Censorship

The existing Ontario Board of Censors should be reconstituted as a Film Classification Board that would have the power to classify films and require the posting of such classifications, but which would not have the power to cut or reject films submitted for public showing in Ontario, in order that the decision to view or not view a film should rest with the parents and families of the Province instead of being imposed upon them by a branch of the Government.

We propose the adoption in Ontario of a system of film classification similar to that established in Manitoba by the NDP ten years ago. Under such a system, the protection for community standards provided by the Criminal Code provisions against obscenity would effectively restrict the showing of films containing violence or explicit sex. But the decision to prevent the screening of such offensive material would be made openly in court, applying the provisions of the law in the light of community standards, instead of secretly by bureaucrats.

Manitoba's Film Classification Board categorizes films submitted for review as follows:

1. General (open to everyone) ;
2. Mature (open to everyone) ;
3. Mature -- not suitable for children (open to everyone) ;
4. Adult Parental Guidance (children under 18 must be accompanied by a parent) ; and
5. Restricted (no one under 18 to be admitted).

Some of the films placed in the final category, which contain graphic representations of certain sexual acts or of certain acts of violence, are drawn to the attention of the distributor by way of information notices which refer to

the depiction of such acts. While the Manitoba Film Classification Board does not purport to be warning of the possibility of Criminal Code prosecutions, and its information notices make no reference to such a possibility, the acts referred to are those which might be thought to render the film liable to prosecution for obscenity. Some of the films so identified by the Manitoba Film Classification Board are subsequently withdrawn or cut. Where films are cut after initial classification they must be resubmitted before public viewing.

Two films which had been cleared for showing in the Restricted category in 1978 were charged as obscene, and these convictions were both upheld on appeal. Approximately 12 information notices have been issued by the Manitoba Film Classification Board during its ten years of existence; no such notices have been sent since the 1978 convictions were registered.

Child Pornography

One of the most powerful emotional arguments mustered in favour of film censorship is the need to prevent the depiction of children in sexually degrading circumstances. While we share the repugnance of the community at such depictions, we believe that the fundamental problem is that the present Criminal Code does not specifically prohibit people from degrading children for the purpose of making pornographic films or other published material. The immediate task, therefore, is to strengthen the law to allow those who so degrade children to be found guilty of breaching the obscenity provisions of the Criminal Code, rather than to concentrate upon prohibiting the depiction of such shameful activities in the cinemas of Ontario.

Accordingly, we propose that the Committee should call upon the Ontario Legislature to press the Federal Government to strengthen the law in this important regard. Specifically, we urge that the Federal Government be pressed to reintroduce, and this time to enact into law, the Criminal Code amendments given first reading in Bill C-51 on 1 May 1978, namely s. 18 of that Bill, intended to amend s. 159 of the Criminal Code, as follows:

s.18. Subsection 159(8) of the said Act is repealed and the following substituted therefor:

"(8) For the purposes of this Act, a matter or thing is obscene where

(a) a dominant characteristic of the matter or thing is the undue exploitation of sex, violence, crime, horror, cruelty or the undue degradation of the human person; or

(b) the matter or thing unduly depicts a totally or partially nude child

(i) engaged or participating in an act or a simulated act of masturbation, sexual intercourse, gross indecency, buggery or bestiality, or

(ii) unduly displaying any portion of his or her body in a sexually suggestive manner.

(9) In this section, 'child' means a person who is or appears to be under the age of sixteen years."

APPENDIX B

TERMS OF REFERENCE

Friday, 24 April 1981

On motion by Mr. Wells, seconded by Mr. Gregory,

Ordered, That the following Standing Committees be established for this Session, with power to examine and inquire into all such matters as may be referred to them by the House, with power to send for persons, papers and things, as provided in section 35 of the Legislative Assembly Act:-- ...Standing Committee on Procedural Affairs -- 12 Members... (with 7 from the Government Party, 3 from the Official Opposition and 2 from the Third Party)... appointed for this Parliament to review and report to the House its observations and opinions on the operation of the Standing Orders of the House, and such additional matters as may be referred to it by the House or by Mr. Speaker from time to time, and that the Committee also have power to review the operation of all Agencies, Boards and Commissions to which the Lieutenant Governor in Council makes some or all of the appointments, and all corporations in which the Crown in right of Ontario is a majority Shareholder, such reviews to be made with a view to reducing possible redundancy and overlapping; and the Committee may not meet during Summer adjournments or during intervals between Sessions without authorization from the Assembly.

APPENDIX C

WITNESSES

Ontario Board of Censors - Thursday, 7 January 1982

Curly Posen
President
Motion Picture Theatres Association of Ontario

Robert Lightstone
Vice-President
Canadian Motion Picture Distributors Association

President
Paramount Pictures (Canada)

Millard Roth
Executive Director
Canadian Motion Picture Distributors Association

Ron Emilio
President
Association of Independent and Canadian-Owned
Motion Picture Distributors

Mary Brown
Chairperson
Board of Censors

Ontario Police Commission - Tuesday, 12 January 1982

Chief Jack Wales
President
Ontario Association of Chiefs of Police

E. R. Johnson
President
Police Association of Ontario

Robert Wilson
Co-ordinator
Municipal Police Authorities

John Sewell
Alderman, Ward 6
City of Toronto

Shaun McGrath
Chairman
Ontario Police Commission

Toronto Area Transit Operating Authority - Wednesday, 13 January 1982

L. H. Parsons
Chairman
Toronto Area Transit Operating Authority

A. F. Leach
Managing Director
Toronto Area Transit Operating Authority

James Burwell
Director of Finance
Toronto Area Transit Operating Authority

Ontario Energy Board - Thursday, 14 January 1982

R. H. Clendining
Chairman
Ontario Energy Board

Orville Cook
Energy Returns Officer
Ontario Energy Board

Donald Treadgold
Member
Ontario Energy Board

Douglas Cochrane
Special Projects Officer
Ontario Energy Board

APPENDIX D

AGENCIES, BOARDS AND COMMISSIONS REVIEWED TO DATE

- 1st Review: Waste Management Advisory Board
Pesticides Advisory Committee
Ontario Food Council
Agricultural Research Institute
Alcoholism and Drug Addiction Research Foundation
Ontario Institute for Studies in Education
Education Relations Commission
Farm Machinery Board
Land Compensation Board
Milk Commission of Ontario
Cream Producers' Marketing Board
St. Lawrence Parks Commission
Ontario Council for the Arts
Ontario Heritage Foundation
- 2nd Review: Ontario Research Foundation
Ontario Telephone Service Commission
Ontario Housing Corporation
Ontario Food Terminal
Ontario Council of Health
Ontario Municipal Board
- 3rd Review: Ontario Educational Communications Authority
Ontario Lottery Corporation
Board of Ophthalmic Dispensers
Ontario Labour Relations Board
Ontario Northland Transportation
Liquor Control Board of Ontario
- 4th Review: Ontario Racing Commission
Ontario Hockey Development Committee
Farm Pollution Advisory Committee
Ontario Place Corporation
- 5th Review: Ontario Board of Censors
Ontario Energy Board
Ontario Police Commission
Toronto Area Transit Operating Authority



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Ontario

Standing Committee on Procedural Affairs

Report on Agencies, Boards and Commissions (No. 6)



2nd Session 32nd Parliament
31 Elizabeth II



LEGISLATIVE ASSEMBLY
ASSEMBLÉE LÉGISLATIVE

The Honourable John M. Turner, M.P.P.
Speaker of the Legislative Assembly.

Sir,

Your Standing Committee on Procedural Affairs has the honour to present its
Report and commends it to the House.

A handwritten signature in dark ink, reading "G. A. Kerr". The signature is written in a cursive style with a long horizontal stroke at the end.

George A. Kerr, Q.C., M.P.P.
Chairman

Queen's Park
7 December 1982

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ON PROCEDURAL AFFAIRS**

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* Substituted by Order of the House. Replaced Allan McLean.

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I INTRODUCTION

The Standing Committee on Procedural Affairs presents this report pursuant to its terms of reference, namely to review the operation of the agencies, boards and commissions of the Government of Ontario.¹ During the course of its public hearings during September, 1982, the Committee heard testimony from representatives of the agencies and from interested organizations with respect to the following agencies:

Wolf Damage Assessment Board,
 Art Gallery of Ontario,
 Civil Service Commission,
 Commission on Election Contributions and Expenses, and
 Ontario Land Corporation.

As indicated in the Committee's Report presented to the House in May, 1982, the Committee has decided to conduct biannual reviews of agencies. This practice has worked well and the Committee will continue such reviews in the future. Consequently, in January, 1983, your Committee will review the operation of the following agencies, boards and commissions:

Law Society of Upper Canada,
 Ontario Manpower Commission,
 Criminal Injuries Compensation Board,
 Ontario Cancer Treatment and Research Foundation, and
 Ontario Status of Women Council.

1 See Appendix B for the full text of the terms of reference.

2 See Appendix C for a list of witnesses that appeared before the Committee.

Members of the Committee wish to express their appreciation to all of the witnesses who appeared to present their views and to those who submitted written briefs. The Committee also expresses its appreciation for the co-operation of officials of various ministries of the Government of Ontario and the agencies themselves. In addition, the Committee would like to commend the Ministers under whom these agencies fall for their responses to the recommendations made by the Committee. Although a Minister may not always agree with the recommendations of the Committee, responses do indicate that the recommendations of the Committee are given serious and thoughtful consideration.

The Committee also wishes to acknowledge the assistance and dedication of its administrative and research staff to the work of the Committee.

Finally, your Committee wishes to inform the House that the recommendations contained in this report represent a consensus of opinion rather than complete agreement on every issue before it. While not every member may agree with every recommendation, your Committee is pleased to present a report that each member can support.

II AGENCY REVIEW

WOLF DAMAGE ASSESSMENT BOARD

The Wolf Damage Assessment Board is a statutory body created in 1975 by the Dog Licensing and Livestock and Poultry Protection Act.

The Act provides that the Board be constituted with no fewer than three persons appointed by the Lieutenant Governor in Council, one of whom shall be appointed as chairman. No member of the Board may be a member of the public service in the employ of the Ministry of Agriculture and Food. Remuneration is fixed by the Lieutenant Governor in Council with the chairman receiving a per diem of \$140 and the other two members a \$100 per diem.

The Board has met only once in the last two years.

In order to understand the responsibilities of the Board, an explanation of Part II of the Act is required. Part II of the Act deals with the protection of livestock and poultry where such livestock and poultry have been injured or killed by dogs or wolves.

The Act stipulates that where a dog or wolf kills or injures livestock or poultry the local municipality is liable for the damage caused and the damage is determined by a valuer appointed by the municipality. It is the responsibility of the valuer to determine whether the damage was done by a dog or a wolf. If the owner of the livestock or poultry is not satisfied with the valuer's report he may appeal to the Commissioner of Livestock. The council of the municipality may also appeal to the Commissioner. The Commissioner then appoints another valuer who issues a further report. If the municipal council or the owner of the damaged livestock or poultry is not satisfied with this second report, each can appeal to a judge of the county or district court and the judge may determine the liability of the municipality and the amount payable to the owner. The maximum amounts of compensation payable are set down in O. Reg. 244, R.R.O. 1980.

Once this process is completed, the local municipality may recover the amount it paid to the owner of the damaged livestock or poultry from the owner

of the dog that did the damage. Where damage has been done by wolves and there is, therefore, no owner from whom compensation may be claimed, the Commissioner of Livestock may authorize the payment of a grant to such municipality which has paid the owner of damaged livestock or poultry. The grant payable comes from moneys appropriated for such use by the Legislature.

However, if the Commissioner has reason to believe that the damage was not done by wolves, he is required to refer the application of the municipality for reimbursement to the Wolf Damage Assessment Board. The Board then holds a hearing at which it determines whether in fact the damage was done by wolves. The decision of the Board is binding on the Commissioner.

Given the context within which the Board operates, the Act establishing the Board underscores the possibility that all those at the local municipal level who are involved in assessing the damage done by dogs or wolves will on occasion seek to lay the blame on wolves rather than dogs. To do so has certain advantages. The local municipality does not have to go through the expense and bother of trying to recover the money it paid to the owner of damaged livestock and poultry from the owner of the dog. If the damage was done by wolves the process is much simpler. The municipality merely applies for reimbursement from the Commissioner of Livestock.

Recommendations

In the opinion of your Committee, the Wolf Damage Assessment Board has served the public interest well. It has acted as deterrent to those who would seek to make fraudulent claims against the provincial treasury, and, on the evidence presented to the Committee, the Board's existence has forced dog owners to be responsible for the activities of their dogs. While dogs may still in some instances be the cause of attacks on poultry and livestock such occurrences would likely be greater in number without the Board's review process. The fact that the Board only meets about once a year to adjudicate a claim suggests that the Board has been successful in achieving its mandate.

Consequently, your Committee recommends that:

The Wolf Damage Assessment Board be continued under the Dog Licensing and Livestock and Poultry Protection Act with its present structure and mandate.

ART GALLERY OF ONTARIO

The Art Gallery of Ontario was founded in 1900 as a private institution called the Art Gallery of Toronto. In 1966, the Gallery was given provincial status by the enactment of the Art Gallery of Ontario Act. While it remains a private institution it is supported financially by the province.

The Art Gallery of Ontario is constituted as a corporation without share capital and operates under the direction of a twenty-seven member Board of Trustees. Five Trustees are appointed by the College of Founders; ten are elected by the membership; two are appointed by the Council of Metropolitan Toronto, one of whom must be a person who is both a member of the Council of the City of Toronto and a member of the Council of the Municipality of Metropolitan Toronto; and ten are appointed by the Lieutenant Governor in Council. The President and Vice-President of the Board are annually elected by the Trustees themselves.

The day-to-day operations of the Gallery are under the supervision of a Director who is appointed by the Board. The Board also appoints the staff of the Gallery.

The Act provides that the Gallery's objects are:

- (a) to cultivate and advance the cause of the visual arts in Ontario;
- (b) to conduct programmes of education in the origin, development, appreciation and techniques of the visual arts;
- (c) to collect and exhibit works of art and displays and maintain and operate a gallery and related facilities as required for this purpose; and
- (d) to stimulate the interest of the public in matters undertaken by the Gallery.

The Gallery has sought to achieve the above objectives in a number of ways. As the principal art gallery of Ontario, it has over the years been able to

accumulate by gift or purchase a large collection of paintings, prints, drawings and sculptures representing all periods and styles. In addition, it has made a special effort in collecting Canadian, particularly Ontario, works of art. These efforts on the part of the Gallery have enabled it to achieve both a national and international reputation. Various consequences flow from this achievement. The Ontario public has within its borders an art gallery that can provide a unique opportunity of seeing art that it could otherwise only see through photographs or by travel to other art galleries. At the same time, the fact that the Gallery does concentrate on purchasing and exhibiting Canadian art provides incentive to Canadian artists and gives the Ontario public a better appreciation of what is being done in Canada and in Ontario.

In addition, because of its national and international reputation, the Gallery has been able in the last few years to attract a number of important exhibitions to Ontario that otherwise may not have been exhibited in the Province. These include the Tutankhamen exhibit, the Turner and the Sublime exhibit, and Vincent Van Gogh and the Birth of Cloisonism exhibit.

With respect to its educational objectives, the Gallery provides a variety of programmes. There is an extension service programme which permits smaller art galleries in Ontario to borrow exhibitions from the Gallery. This affords local galleries the opportunity of mounting exhibitions for people in their communities who may otherwise not have the opportunity to see the exhibits in Toronto. Other educational programmes include an art school, seminars and lectures by noted authorities, programmed school visits and other group visits. The Gallery also maintains a large and important collection of books on art and an audio-visual centre that maintains slides and films relating to art.

While there are undoubtedly critics of the Gallery, on balance, it has kept to the objectives set out in the Act. A similar conclusion may be drawn with respect to the Guidelines for Cultural Policy Development, a 1973 statement of the Ontario Government's policy position with respect to cultural matters. The Guidelines, reproduced below, are:

1. The objective of Government policy should be to ensure that cultural development in Ontario is both creative and participatory.

2. Government should encourage and be responsive to individual and group initiative without allowing itself to become the focus of cultural decision-making.
3. Special emphasis should be placed on creative activities within the Province and support mechanisms should be established to foster the development of individual creative and performing artists within Ontario.
4. Government involvement in the area of cultural perservation should encompass the broadest possible range of cultural media so that the programmes directed towards preserving, for future generations, the products of past and present achievement can include an emphasis not only on existing buildings of architectural or historic interest, but also such things as paintings, sculpture, books, films, records, lifestyles, technological products, historical sites, geographic landmarks, etc.
5. The Government should move to ensure broad access to cultural enrichment by:
 - Encouraging the education system to foster a better understanding and appreciation of creativity and artistic excellence through individual experience and involvement.
 - Fostering indigenous cultural development in communities outside the large urban areas.
 - Encouraging a greater exchange of cultural resources both intra-provincially, inter-provincially and internationally.
 - Ensuring that communities and individuals with limited resources benefit fully from efforts made in the above areas.
6. Cultural organizations and institutions in the Province should only qualify for Government support to the degree to which they assist in fulfilling the principles and objectives outlined above.

A review of the above guildeines and their comparison with the Gallery's activities over the years leads to the conclusion that on balance the Gallery has stayed well within the Guidelines.

It would appear that funding for art purchases, which is derived almost solely from private sources, is adequate to meet the Gallery's needs. However, funding of the Gallery's operations is in a somewhat more precarious state. The principal source of the Gallery's operating revenues is from the Ministry of Citizenship and Culture and in the past several years the Ministry has limited its financial support in line with the Government's restraint programme. As a result, the Gallery has introduced efficiency measures which in the fiscal year 1980/81 saw some reductions in staff, an increase in admission fees and the

introduction of user-fees with respect to the use of the Gallery library and the Audio-Visual Centre.

The whole question of the Gallery's financial requirements prompted the Ministry of Culture and Recreation in 1981 to suggest a study of the problem. While the study as originally suggested was not conducted, the Gallery did analyze its future financial requirements in a submission to the Ministry of Citizenship and Culture on 1 October 1981. The summary of the Gallery's analysis is provided below.

This submission represents the Gallery's response to the first part of the study agreed to by the Ministry of Culture and Recreation and Gallery management. Although not specifically outlined above, the Gallery will pursue every means of decreasing its expenditures through increased efficiency in all areas of its operations. At the same time, the Gallery will make efforts to increase income through new fundraising. Following are the major points:

1. The Board of Trustees reaffirms its commitment to the essential educational role of the Gallery as outlined in the Art Gallery of Ontario Act, and reaffirms its intentions to fulfill this educational role by continuing to build the Gallery's collections.
2. The priority setting used by the Art Gallery of Ontario incorporates adequate evaluation of spending priorities against its central purposes outlined in its Act.
3. The Gallery's operating expenditures reflect its educational priorities. However, fixed operating costs will take an increasingly large share of available operating revenues over the next three-year period.
4. The collecting activities of the Gallery are funded entirely by the private sector through volunteer activities and private donations. These efforts have resulted in making available the Gallery's collections, valued at \$200 million, for public education and appreciation. These collections represent the cornerstone around which all Gallery educational and extension activity and services revolve.
5. The Art Gallery of Ontario's building repair and maintenance budget, currently \$200,000 per year has been provided by private funds, except for the one-time grant of \$150,000. The private funds, which were limited, are rapidly diminishing; at the same time the building is aging and the dollar requirements will become greater. By 1983 this will place a severe strain on financial resources.
6. The Gallery will experience operating deficits over the next three years unless funding from all sources is increased substantially.

Recommendations

Over the past several years, the Government of Ontario has followed a policy of restraint with respect to public expenditures. For cultural institutions such as the Art Gallery of Ontario this has meant that the expected level of funding from the province has not been met and operating expenditures have had to be curtailed. This situation is likely to persist over the next several years with the effect that cultural institutions will be placed in some financial difficulty. While the Art Gallery, as with other cultural institutions, can do much to improve its internal operating efficiency, the Ministry of Citizenship and Culture could assist these institutions by endeavouring to develop a funding plan under conditions of restraint. While the Committee recognizes the need for some measure of flexibility on the part of the Ministry, it nevertheless believes that the Ministry could ensure some measure of revenue stability for these institutions so that they can better plan the delivery of their services to the public.

Your Committee, therefore, recommends that:

The Ministry of Citizenship and Culture develop a funding plan for all cultural institutions supported by the Province in order that they may have some measure of revenue stability.

In addition to the funding it receives from the Ministry of Citizenship and Culture, which in 1981/82 totalled \$4.8 million in grants, the Art Gallery also receives grants from several other sources, including the Federal Government. In 1981/82, the Federal Government gave approximately \$500,000. The Committee recognizes the valuable contribution made by agencies of the Federal Government, particularly the Canada Council and the National Museums of Canada. However, it believes that further support could perhaps be expected from federal sources in view of the fact that these sources have not substantially increased their grants over the last several years.

Your Committee recommends that:

The Art Gallery of Ontario seek increased financial support from Federal Government agencies.

It would not be an exaggeration to say that donations from the private sector have been crucial for the Gallery's artistic development. Such donations have come in the form of cash for the purchase of works of art and in the form of art works themselves. Individuals and corporate bodies have been encouraged to make such donations in view of the tax relief that is provided under the federal income tax provisions and the Cultural Property Act. Overall, these various measures are generous in the amount of tax relief they provide. However, in one significant area there is considerable room for improvement, namely with respect to the donation of securities. Under present income tax provisions, gifts of appreciated property such as securities are taxed in a manner that makes the gifting of such property fairly unattractive to most taxpayers. At a time when the Art Gallery of Ontario is competing for scarce dollars from the private sector and the price of works of art has risen dramatically, the Gallery requires all the financial support it can receive from the private sector so that it can maintain adequate funds for the purchase of art works. Revisions in the income tax provisions with respect to the gifting of securities would make an appreciable difference in the Gallery's efforts to raise money in the private sector.

Your Committee therefore recommends that:

The Ministry of Citizenship and Culture ask the Federal Government to amend the Income Tax Act (Canada) to provide individuals and corporations with a greater incentive to donate to the Gallery, particularly with respect to the gifting of intangible appreciated property such as securities.

An important cost factor with respect to the Gallery's financial position is the insurance that the Gallery requires for loans of works of art for special exhibitions. Given that a very large portion of such loans come from abroad and are arranged through the sponsorship of the Federal Government it would seem appropriate that the Federal Government provide an insurance plan that enables galleries, such as the Art Gallery of Ontario, to plan major international exhibitions without fear of being overwhelmed by very high insurance premiums.

Your Committee recommends that:

The Ministry of Citizenship and Culture investigate the best way to provide a self-insurance plan for the Gallery and that the Ministry seek the involvement of the Government of Canada in such a plan for similar institutions across Canada.

Finally, there is the question of the Art Gallery's mandate to serve all of Ontario as an educational vehicle for the advancement of knowledge of art. One method the Gallery employs to fulfil this role is through its relationship with smaller, local galleries throughout Ontario. At the present time, the Gallery has a relatively informal relationship with these galleries, offering them services it deems are worthwhile. The Gallery could consider a formal relationship with these galleries along the lines of the regional representatives that help Ontario Educational Communications Authority in assessing local interests and needs.

Your Committee therefore recommends that:

The relationship between the Art Gallery of Ontario and other Ontario art galleries be formalized with respect to services the Art Gallery now provides informally.

CIVIL SERVICE COMMISSION*

The Civil Service Commission is established by the Public Service Act with responsibility for the recruitment, classification and training of the staff of the Government of Ontario. Since its enactment in 1918, the Act has been amended a number of times with the first major change occurring in 1947 when the Commission was enlarged to three members. In 1962, the Robarts' Government broadened the scope of the Commission's mandate and gave it decisive authority over all personnel matters. At the same time, the Government created a Department of the Civil Service to act as the executive arm of the Commission. In 1972, as a result of the recommendations of the Committee on Government Productivity, the Department of the Civil Service was abolished and its functions returned to the Commission. The Public Service Act has remained largely unchanged since then.

The Public Service Act provides that the Commission be composed of no fewer than three members. At the present time, there are seven members of the Commission including the chairman who has the rank of deputy minister. Apart from one member who is from the private sector, all other members of the Commission are civil servants.

The staff of the Commission are all civil servants appointed under the Act and in 1980-81 the total staff complement was 194.

The Commission is organized much like any other ministry with various divisions and branches headed by senior officials. In fact, the Commission's structural and organizational make-up corresponds very closely to any other ministry, except that, at the apex, instead of a Minister and deputy minister, there is a collegial body which makes policy decisions.

* See Appendix A for a dissenting opinion of Michael Breagh, M.P.P. and Brian Charlton, M.P.P.

Section 4 of the Public Service Act defines the duties of the Commission in broad terms and lists the following:

- (a) evaluate and classify each position in the classified service and determine the qualifications therefor;
- (b) recommend to the Lieutenant Governor in Council the salary range for each classification, except a previously established classification for which a salary range is determined through bargaining pursuant to the Crown Employees Collective Bargaining Act;
- (c) recruit qualified persons for the civil service and establish lists of eligibles;
- (d) assign persons to positions in the classified service and specify the salaries payable;
- (e) determine prerequisite changes for civil servants;
- (f) provide, assist in or co-ordinate staff development programmes;
- (g) present annually through the Minister to the Lieutenant Governor in Council a report upon the performance of its duties during the preceding year, which report shall be laid before the Assembly if it is in Session or, if not, at the next ensuing Session.

The Commission is authorized to provide a wide range of services with respect to personnel management and administration. Students of Canadian public administration have noted that most civil service commissions have followed this trend toward providing more sophisticated personnel services, necessitated by the high growth in numbers in the public service, the specialized education and training required to fill most positions, the more activist employee unions and associations and the need to establish uniform standards with respect to compensation and benefits.

The public service of the Government of Ontario is composed of the career civil service or the classified service and the unclassified service, largely part-time or special staff.

The power to appoint individuals to the classified civil service formally rests with the Commission. In practice, however, it is the deputy minister who chooses a candidate from a list of eligibles, who then is appointed for a probationary year. After a year, the Commission can ask the Lieutenant Governor in Council to appoint the individual to the permanent or regular staff of the classified service.

With respect to appointments to the unclassified civil service, the Act gives this power to the minister or his delegate. The appointment is initially for one year and is for an indeterminate period thereafter.

Perhaps a far more important power given to the Commission, one that clarifies its functions, is the power to make regulations with the approval of the Lieutenant Governor in Council. The Commission can make regulations:

- (a) prescribing methods of evaluating and classifying positions;
- (b) prescribing classifications for positions, including qualifications, duties and salaries, except salaries for previously established classifications for which salaries are determined through bargaining pursuant to the Crown Employees Collective Bargaining Act;
- (c) prescribing the standards and procedures to be followed in recruitment, selection and nomination;
- (d) prescribing the procedures to be followed in making assignments;
- (e) providing for a probationary period on appointment or assignment;

- (f) determining employee benefits;
- (g) providing for the establishment of plans for group life insurance, medical-surgical insurance or long-term income protection insurance;
- (h) prescribing the hours of work;
- (i) defining overtime work and providing for compensation therefor;
- (j) providing for and prescribing payments on death;
- (k) regulating the conduct of public servants, including the imposition of fines, removal from employment, demotion or otherwise;
- (l) providing for a system of credits for regular attendance and payments in respect of such credits;
- (m) providing for the granting of leaves of absence;
- (n) prescribing a period longer than two weeks for the purposes of section 20;
- (o) prescribing periods of suspension or removal from employment for the purposes of section 22;
- (p) prescribing the conditions and procedures for release from employment, lay-off and subsequent reappointment;
- (q) prescribing the conditions and procedures for dismissal;
- (r) providing for departmental or branch councils, grievance boards, medical boards and committees of any kind, and

prescribing their jurisdictions, powers and duties, including any of the powers of a commission under Part II of the Public Inquiries Act;

- (s) prescribing arrangements and procedures for providing, assisting in or co-ordinating staff development programmes;
- (t) prescribing the rules of procedure governing proceedings of the Negotiating Committee and the Arbitration Committee;
- (u) designating positions or classifications of Crown employees for the purpose of section 11;
- (v) prescribing and providing for the use of forms under the Act or the regulations;
- (w) respecting any matter necessary or advisable to carry out effectively the intent and purpose of the Act.

Regulation 881 deals with the various sections of the Act. Part I deals with appointments and assignments; Part II deals with conditions of employment, including such matters as attendance, overtime, pay for overtime, reclassification, offences and penalties, release from employment and conflict of interest. Part III deals with staff development, Part IV with departmental and branch councils of the Commission. Part V details the grievance procedure and establishes the Public Service Grievance Board. Part VI deals with benefits, holidays and vacation entitlements, sickness and disability plans, use of accumulated credits, workmen's compensation benefits, special and compassionate leaves, group insurance plans, termination payments, and death payments. Part VII relates to the unclassified management employees and their various entitlements, plans and leaves. Part VIII deals with those unclassified employees who are part-time or casual. Finally, the Regulation includes seven schedules. These schedules detail the categories of employees that are given special mention in the Act or the regulations. For example, employees in Schedule 2 are those that are not permitted to engage in municipal election activity.

To give effect to the Commission's duties and responsibilities under the Act, the Commission is involved in a variety of activities conducted by its several divisions and branches as follows:

- a) The Compensation Division is responsible for the application and administration of the Government's compensation policies for approximately 70,000 employees. The division is comprised of three branches: (i) the Pay Policy and Administration Branch, with responsibility for the development of all pay structures, systems and policies, as well as for providing assistance to the Staff Relations Division in setting objectives for salary negotiations; (ii) the Classification Branch, which establishes policies and procedures with respect to job description, administration and classification, the day-to-day responsibility for actual classification delegated to operating ministries with the Commission returning only limited classification control; and (iii) the Benefits Policy Branch with responsibility for establishing policy with respect to the wide range of benefits received by civil servants including conducting research in attendance improvement. There is also within this division a Special Compensation and Training Section which provides an advisory service on executive allocation and compensation matters, and training for personnel and line managers with respect to compensation matters.

- b) The Staff Relations Division is responsible for negotiation of collective agreements covering wages, employee benefits and working conditions for bargaining unit employees. The Pay Research Section of this Division provides compensation and labour relations data with respect to collective bargaining and compensation administration. The Recruitment Branch is responsible for ensuring that positions in the public service are filled by qualified and competent people and are selected and promoted on the basis of merit. This Branch is comprised of three sections: (i) the Policy Section which oversees the application of staffing policies and provides assistance to those ministries which do their own recruiting; (ii) the Staffing Training Section which provides technical and skill-building instruction to personnel administrators and program managers; and (iii) the Staffing Section which provides direct staffing services and operates the temporary help service, as well as maintaining an inventory of competent and job-ready candidates.

The Staff Development Branch is responsible for aiding civil service managers and employees to improve their performance. In pursuit of this objective, various units of the Branch conduct studies on improving organizational performance, employee job satisfaction and employee-manager relations. A corporate manpower planning programme is underway, seeking to identify future manpower needs for the civil service. The Branch also assists ministries with the implementation of the performance appraisal policy. In addition, it offers courses, workshops and consulting services to improve employee performance. Finally, the Branch provides French-language training. The Staff Relations Division also has responsibility for Senior Appointments and Compensation and deals with executive staffing and development as well as an executive compensation plan tied to an executive job evaluation system.

- c) The Administrative Services Branch is responsible for a number of functions supporting the internal operation of the Commission and for providing services to ministries which are related to, but not directly a part of, the personnel function. The Branch is involved in such matters as developing and initiating an internal performance appraisal system for the Commission, developing a new orientation policy and programme for the Commission, and developing a special termination policy for surplus employees. In addition, the Branch is responsible for an Affirmative Action Programme within the Commission and for some ministry staff. The Branch's Financial and Programme Analysis Section co-ordinates the Commission's budget and the Personnel Data Systems Section provides services to the Commission with respect to computer systems and record-keeping functions, and develops systems with respect to job evaluation, salary levels, classification monitoring. The Manual of Administration Section is responsible for editing proposed additions and revisions to the Manual of Administration. The Civil Service Commission Secretariat provides administrative support services for the Chairman, Commissioners and senior management of the Commission, including arrangements for meetings, presentation of submissions, preparation of background material and documentation of decisions. The responsibility of the Communications and Publicity Section is to produce and distribute Topical and Job Mart and to place job advertisements in the external media. There is also a Charity Trust and Community Liaison Section which co-ordinates employee

campaigns and administers the charitable trust established for such employees. The Branch also organizes the Quarter-Century Club and coordinates a chaplaincy service for Government employees.

- d) The Personnel Audit Branch is an internal audit group reporting to the Chairman and evaluates personnel policies as they are implemented in the public service.
- e) Finally, the Systems Personnel: Standards and Training Branch deals with matters such as classification, pay research, staffing, manpower planning, performance appraisal and training.

Historically, civil service commissions have, in addition to their other responsibilities, performed adjudicative functions, hearing grievances and appeals from those public servants who feel that they have not been treated fairly and equitably.

In Ontario, as in most other jurisdictions, this adjudicative role is no longer performed by the Commission but is assigned to specialized tribunals. There are at present four such tribunals in operation.

The Ontario Public Service Labour Relations Tribunal is established by the Crown Employees Collective Bargaining Act. It is composed of a panel of three and determines appropriate bargaining units and their bargaining agents, prescribes mediation or arbitration, investigates acts of discrimination in connection with the Act and determines whether a matter comes within the scope of collective bargaining.

The Crown Employees Grievance Settlement Board is also established by the Crown Employees Collective Bargaining Act and sits as a panel of three to hear grievance cases lodged by employees with respect to matters defined in the Act or with respect to matters arising from a collective agreement.

The Public Service Grievance Board is established by Regulation 881 under the Public Service Act and sits as a panel of three to hear complaints regarding dismissal, working conditions or terms of employment other than changes of

classification lodged by staff who do not come within the scope of the Crown Employees Collective Bargaining Act.

Finally, there is the Public Service Classification Rating Committee established by Regulation 881 under the Public Service Act. The Committee sits as a panel of three to hear from those who believe that they have been wrongly classified but who are not considered employees under the Crown Employees Collective Bargaining Act.

Two operational trends have emerged with respect to the Civil Service Commission. The first trend is decentralization or delegation of certain responsibilities. This involves the Commission delegating a considerable degree of personnel administration and management to the various ministries. Most ministries now have their own personnel branches and managers who have been given responsibility for such matters as candidate selection, classification and performance evaluation. The Commission still develops the programmes and policies but the ministries now administer those programmes directly. The advantage of this delegation is that personnel administration has become an integral part of the overall administration of a ministry and permits personnel matters to be dealt with at the source. The best use of human resources is, therefore, the responsibility of those who will be held accountable for the utilization of those human resources rather than an outside agency.

Another trend is that of the provision of sophisticated services. In the period before World War II, civil service commissions had limited responsibilities, watching over the merit principle and providing some guidance with respect to classification, recruitment and compensation matters. Today, however, the Ontario Civil Service Commission also provides a variety of other services, including manpower planning, pay research, training and development and participation in collective bargaining.

Recommendations

In conducting its reviews of the agencies, boards and commissions of the Government of Ontario, the Committee has, where appropriate, invited groups having some relationship with the agency reviewed to present their views to the Committee on the operation of the agency. In the case of the Civil Service Commission, representatives of the Ontario Public Service Employees' Union presented a submission in which they raised a number of issues and with respect to which they made several recommendations.

One such issue was that of political rights for unionized Government employees. The Union contended that present legislation was too restrictive in that the Public Service Act prohibited certain activities such as canvassing, soliciting and running as a candidate in provincial and federal elections. Only if the individual employee first obtained a leave of absence could he engage in the above-mentioned activities. The Union proposed that most of these prohibitions be repealed and that other prohibitions be modified to permit Government employees to engage in these activities in a more open way.

A majority of the Committee felt that the present provisions of the Public Service Act with respect to participation in provincial and federal elections were adequate and struck a balance between the rights of employees to participate in political activities, subject to leaves of absence, and the requirement that Government employees not be placed in a conflict of interest position with respect to their employer - the Government. A conflict of interest would arise when an employee would, while attending to his job, have to implement the policies and programmes of the Government to the best of his ability, but then on his own time publicly criticize and even condemn those policies and programmes. Such open political partisanship would jeopardize the neutrality of the public service, a principle that has been a cornerstone of our Westminster-style parliamentary democracy. On a more practical level, such open political activism could create a climate of suspicion in the workplace that could adversely affect employee-employer relations. For these reasons, a majority of your Committee supports the present provisions of the Public Service Act dealing with the matter of political activities of Government employees.

The Union also raised the matter of Government employee participation in municipal elections and, from the discussion that followed, the Committee was made aware that there may exist some confusion on the part of some Government employees as to their rights in this regard. The Act provides that a Crown employee, except those who are broadly classed in senior positions, can participate in municipal elections without seeking a leave of absence. However, the Act provides for qualifying circumstances that, depending on the interpretation of these circumstances, could prevent an employee from seeking municipal office or otherwise participating in a municipal election campaign. Your Committee supports this provision in the Act, but is concerned that an inadequate understanding of the Act by both Government employees and managers may lead to contrary or differing interpretations of the qualifying provisions. In order to reassure those who may contemplate entry into municipal politics and to ensure uniform and consistent guidelines throughout the civil service, the Committee recommends that the Civil Service Commission formulate clear guidelines on how ministries are to interpret the qualifying provisions in section 11 (a), (b) and (c) of the Public Service Act.

Your Committee recommends that:

The Civil Service Commission establish clear and uniform guidelines with respect to section 11 (a), (b) and (c) of the Public Service Act.

Due to the fact that employees wishing to seek municipal office have some doubt as to whether they qualify to seek such office under present provisions, the Committee is of the opinion that it would be helpful, particularly during municipal election periods, if the Commission publicize the above-mentioned guidelines throughout the civil service and at the same time indicate that the Commission can be contacted for informal advice as to whether a given employee conforms to the guidelines.

Your Committee recommends that:

The Civil Service Commission publicize its guidelines with respect to Government employee participation in municipal elections and that it act in an advisory capacity with respect to inquiries from employees contemplating entry into municipal politics.

A matter of further concern to your Committee are those instances where an employee has been told by his ministry that he cannot enter municipal elections because of the ministry's interpretation of section 11 (a), (b) and (c). Under these circumstances, the individual concerned should be entitled to appeal this decision to the Civil Service Commission which would then expeditiously deal with the matter.

Your Committee recommends, therefore, that:

The Civil Service Commission create a mechanism by which appeals as to the interpretation of Section 11 (a), (b) and (c) of the Public Service Act can be decided expeditiously.

Another matter raised by the Union was the position of those unclassified employees who are considered to be part-time employees, but who work, if not on a permanent basis, for long periods of time. At present, most of these long-term, part-time employees are not included in any bargaining units. The Committee feels strongly that this is unfair and that their inclusion in the appropriate bargaining units should be a matter of serious consideration by the employer and the union. The Committee believes that this matter can best be resolved through a special review procedure, independent of the annual collective bargaining process.

Your Committee recommends that:

The Civil Service Commission initiate, along with the Management Board of Cabinet, a special review of the status of long-term, part-time employees with a view to including such employees in the appropriate bargaining units.

A related matter raised with respect to unclassified employees on contract was the issue of how extensively they were being used by the various ministries and how cost-efficient they were relative to hiring the same individuals on a full-time basis. The representatives of the Civil Service Commission indicated that the Commission had not undertaken such a study to date but would be prepared to do so.

Your Committee recommends that:

The Commission conduct a study of the unclassified employees who work on contract, to ascertain their numbers and to determine whether the use of such contract employees is cost-efficient and operationally efficient.

COMMISSION ON ELECTION CONTRIBUTIONS AND EXPENSES

The Commission on Election Contributions and Expenses was established under the Election Finances Reform Act as a result of the recommendations contained in the Third Report of the Ontario Commission on the Legislature (Camp Commission). The Camp Commission had made an extensive study of political financing in Ontario and had concluded that extensive reforms were required in this field.

The Government accepted the Camp Commission's analysis and perspective on the issues involved and incorporated many of the Commission's recommendations in the Election Finances Reform Act.

In 1978, the Legislature amended the Legislative Assembly Act to give the Commission on Election Contributions and Expenses the added responsibility of annually reviewing and making recommendations on the indemnities and allowances of members of the Assembly.

The Commission on Election Contributions and Expenses is not an agency of the Government; rather, it is a legislative agency which reports to the Speaker and to the Legislature.

The Commission is composed of nine members, the Chairman, who is appointed by the Lieutenant-Governor in Council for ten years, the Chief Election Officer, a Bencher of the Law Society of Upper Canada and two nominees from each of the major political parties. The inclusion of nominees from each of the political parties recognizes the need for a balanced representation of views. To ensure that party nominees have no direct interest in the outcome of any decision of the Commission, such nominees are prohibited from being members of the Assembly or candidates at an election, from holding office in any political party or constituency association or from making contributions to any political party or constituency association.

The Act authorizes the Commission to hire staff including an Executive Director, legal counsel and auditors. At present, the staff complement is nine. At various times, the Commission has hired part-time staff and consultants. The principal activities of the Commission staff consist of ensuring the orderly return of audited financial statements, checking their accuracy and ensuring that all aspects of the Act's requirements are complied with.

In view of the fact that the Election Finances Reform Act was modelled on the recommendations of the Third Report of the Camp Commission, it may be appropriate to analyze the Act on the basis of the objectives the Camp Commission set for the Act and for the Commission on Election Contributions and Expenses.

(a) Accountability and Openness

The first objective that the Act was intended to implement was the organization of political financing on the basis of two principles; first, accountability and, second, openness. How, then, does the Act achieve these principles or what provisions exist to bring these principles into effect?

The Act requires that all political parties, constituency associations and candidates must register with the Commission before any of these groups and individuals may legally accept political contributions for any election or election campaign (sections 10, 11, 15) or the purposes of the political party or constituency association. To ensure accountability, the Act requires that every political party, constituency association and candidate appoint a chief financial officer who has the following statutory responsibilities:

- (1) proper records must be kept of all receipts and expenditures;
- (2) contributions must be placed in the appropriate depository;
- (3) proper receipts must be completed and dealt with in accordance with the Act;
- (4) the financial statements required by sections 42 and 43, together with the auditor's report thereon, must be filed with the Commission in accordance with the Act; and

- (5) contributions consisting of goods or services must be valued and recorded in accordance with the Act.

Making one person solely responsible for all receipts and expenditures and for complying with the provisions of the Act has a number of advantages. A principal agent will have a better grasp of the Act and how it applies to his party, constituency association and candidate than a number of authorized agents. Moreover, accountability for actions taken can be more readily exacted where there is only one person responsible for complying with the reporting provisions of the Act. Under section 42, the chief financial officer of every registered political party and constituency association must file each year with the Commission financial statements of assets and liabilities and the receipts and expenses for the previous year of the political party or constituency association, along with the auditor's report. This requirement excludes campaign receipts and expenses relating to an election campaign. Section 43 deals with this circumstance and requires that the chief financial officer of every party, constituency association and candidate file with the Commission a financial statement of receipts and expenses of those entities for which he acts, together with the auditor's report, within six months after polling day.

Section 41 of the Act requires that every candidate, constituency association and party must appoint a professionally licensed auditor who, in turn, must make a report to the chief financial officer of a candidate, constituency association or political party with respect to the financial statements that are required to be filed with the Commission. The auditor is required to state in his report whether the financial statements present fairly the information contained in the accounting records and he must report any lack of information or lack of proper accounting records.

Provision exists for the Commission to subsidize the cost of auditors' services for constituency associations and candidates, but not for parties. For the former, the subsidy is a maximum of \$250; for a candidate, \$500.

Penalties are detailed in section 44 for failure to file a financial statement where, (1) the candidate is not elected, in which case he cannot stand at the next general election unless prior to that election a financial statement is filed; and, (2) the candidate is elected, in which case he may be denied his seat in the Assembly until the required financial statement has been filed with the Commission. The elected member or his chief financial officer has sixty days within which to file the financial statement with the Commission. If this provision is not complied with, the Act provides that the Speaker shall inform the Assembly and the member's seat is deemed to be vacated.

In addition, the Act provides that where the chief financial officer of a political party, constituency association or candidate contravenes sections 42 and 43 dealing with the filing of financial statements, the chief financial officer is guilty of an offence and on conviction is liable to a fine of not more than \$1,000. To add additional weight to the seriousness of contravening these sections, the Act stipulates that where the chief financial officer has committed an offence under the sections, the political party, constituency association or candidate, as the case may be, is also deemed to be guilty of an offence. In the case of a registered party, a fine of up to \$2,000 may be imposed. In the case of a constituency association or candidate, the fine may not exceed \$1,000.

In order that the public may know the details of the financial affairs of the political parties, constituency associations and candidates, section 16 of the Act makes all documents filed with the Commission public records which are open to inspection at the Commission offices.

(b) Broadening the Base of Political Financing

The second objective which the Election Finances Reform Act sought to achieve was to broaden the base of political financing in Ontario and, at the same time, to lessen the historical practice whereby large corporations and trade unions were almost the sole contributors to any given party's or candidate's coffers. In the public mind, the suspicion was held that such groups gained undue influence in government policy-making processes through their large donations.

Consequently, the Act sets limits on how much an individual, corporation or trade union may donate. And it should be pointed out that contributions can only be made by these three entities. This provision therefore excludes donations from organized groups, associations and the like.

To ensure that all substantive donations can be accounted for and traced to their source, the Act requires that donations over \$10 be made by cheque with the name of the contributor clearly legible. Any anonymous contribution must be returned if the identity of the contributor can be established. If not, such donation becomes part of the funds of the Commission. Strict limitations on how much any individual, corporation or trade union may contribute are set out in section 19 of the Act. Such contributions shall not exceed:

- (a) in any year,
 - (i) \$2,000 to each registered party, and
 - (ii) \$500 to any registered constituency association, but in respect of registered constituency associations of a registered party, an aggregate of \$2,000 to constituency associations of each registered party; and
- (b) in any campaign period in addition to contributions authorized under clause (a),
 - (i) \$2,000 in relation to the election in such period to each registered party, and
 - (ii) \$500 in relation to the election in such period to any registered candidate, but in respect of candidates endorsed by a registered party, an aggregate of \$2,000 to registered candidates of each registered party.

To avoid the possibility of secret or covert contributions being made by any entity through a middleman, a contributor can only contribute monies belonging to him. A partial exemption to this rule permits trade unions to make a contribution on behalf of their members in a bargaining unit where not more than 10 cents per month is deducted through a payroll deduction plan. In addition, no party, constituency association or candidate may accept any contribution through a middleman. All such contributions must be returned.

In addition to money, contributions may also be made in the form of goods and services. For the purposes of the Act, only those goods and services valued in excess of \$100 are considered contributions as are those contributions which are received over the period of a year from one source and which amount to more than \$100. It should be pointed out that "contribution" does not include any goods produced by voluntary unpaid labour or any service performed voluntarily by an individual for a political party, constituency association or candidate.

The Act provides that goods and services must be valued at the extant commercial rate and when goods and services are undervalued, and where the difference between their true value and their donated value is in excess of \$100, these goods and services must be declared as contributions. Advertising, if provided by a person, corporation or trade union, is considered a contribution if any single advertisement or publication exceeds \$100, or if one source provides any such advertisement, etc. and the total over a year, excluding the campaign period, exceeds \$100.

To ensure openness in contributing towards the cost of advertising for or against a particular candidate or political party, the Act requires that all sponsors of political advertising be identified to the particular media being used and that the publisher maintain records of these transactions for two years and that the documents be public records open for inspection.

Fund-Raising Functions

The income from social events (dinners, dances, etc.) is not ordinarily a contribution for the purpose of the Act. However, where the social event is held for the purpose of raising funds and the admission ticket price exceeds \$20, then part of the price must be considered a contribution.

However, no organized group or association, except a trade union, may make a contribution. Such money must record individual contributions rather than the organized group.

While the Act incorporates the Camp Commission's proposal to broaden the base of political financing, it restricts the principle to Ontario, and prohibits

parties, constituency associations and candidates from knowingly accepting contributions from a person, corporation or trade union outside the Province. This restriction includes contributions from a federal political party, with the exception that during a campaign period a registered party may accept from a federal party an amount not exceeding a total \$100 for each registered candidate of that party and such money is not considered a contribution under the Act. The same principle is applied in the other direction so that an Ontario party may contribute to a federal party an amount not exceeding in the aggregate \$100 for each candidate at a federal election in a federal electoral district in Ontario.

The Act does not prohibit the borrowing of money as a means of financing, but it does require that such borrowing be reported to the Commission. No person, corporation, trade union or any organized group or association can guarantee a loan except where such a loan is made by a chartered bank or other authorized lending institution. However, a registered party or constituency association may guarantee a loan under all conditions.

A great deal of public speculation and academic writing has centered on the influence of the media in politics. There is wide-spread suspicion that whoever controls the media or has easy access to it (meaning a great deal of money) can buy a seat in the Legislature or ensure an ultimate victory. The Camp Commission was not persuaded by these arguments to conclude that media advertising should be banned, but it did recommend that the period when media advertising may take place during the election period should be limited to 21 days immediately preceeding the day before polling day, the only exception being for newspapers that publish on a weekly basis. This recommendation was incorporated in the Act. The exceptions to this provision include the following types of information: (a) advertising of public meetings in constituencies; (b) announcing the locations of constituency headquarters; (c) announcing services for voters by constituency associations respecting enumeration and revision of lists of voters; and (d) any other matter respecting administrative functions of constituency associations. Where such information is conveyed in an advertisement it must be done according to guidelines established by the Commission. The Act also provides that no person or corporation may charge a rate for broadcasting or for publication which is greater than the existing commercial rate.

Finally, the Act sets a limit on advertising expenses during the 21 days when advertising is permitted. In the case of a registered party in relation to a general election, the aggregate amount is determined by multiplying 25 cents by the number of names appearing on all of the revised lists of voters at the election for the electoral districts in which there is an official candidate of the party. In the case of a registered party in relation to a by-election in an electoral district, the amount is determined by multiplying 50 cents by the number of names appearing on the revised list of voters for the electoral district. In the case of (i) a registered constituency association of a registered party and the official candidate of such a party in an electoral district, or (ii) an independent candidate in an electoral district, the amount is determined by multiplying 25 cents by the number of names appearing on the revised list of voters for the electoral district. The above limitations were not recommended by the Camp Commission.

One of the more potentially effective ways of broadening the base of political financing is through the income tax system. If individuals are given the opportunity to contribute to the party of their choice and that contribution is tax deductible, the theory is that an individual's economic self-interest and his desire to participate in the political process will motivate him to make a political contribution.

On the recommendation of the Camp Commission, the Income Tax Act (Ontario) was amended to provide a formula for deducting from an individual's provincial tax payable a contribution made to a registered constituency association, registered party or registered candidate. The Act provides that:

- 7.(6) In respect of the aggregate of amounts (the aggregate of which amounts is hereafter in this subsection referred to as "the amount contributed") that are contributions for the purposes of the Election Finances Reform Act, and that are contributed in the taxation year by an individual to registered candidates at an election of a member or members to serve in the Assembly, to registered constituency associations or to registered parties, every individual resident in Ontario on the last day of the

taxation year may deduct from the amount by which his tax payable under this Act for that taxation year calculated without reference to this section exceeds the amount of the deduction to which he is entitled under subsection (2) for the taxation year,

- (a) 75 per cent of the amount contributed if the amount contributed does not exceed \$100;
- (b) \$75 plus 50% of the amount by which the amount contributed exceeds \$100 if the amount contributed exceeds \$100 and does not exceed \$550; or
- (c) the lesser of,
 - (i) \$300 plus 33-1/3% of the amount by which the amount contributed exceeds \$550 if the amount contributed exceeds \$550, and
 - (ii) \$500,

provided that payment of each amount that is included in the amount contributed is proven by filing with the Minister receipts that are signed by a recorded agent of the registered candidate, registered constituency association or registered party, as the case may be, and that contain the information prescribed to be shown on such receipts.

In addition, under the Corporations Tax Act a corporation can contribute up to \$4000 in aggregate to a political party, constituency association or candidate.

The Income Tax Act does not, however, incorporate another recommendation of the Camp Commission, namely the income tax check-off. This would have required that all registered political parties be listed on the income tax form. If an individual whose provincial income tax payable for the taxation year was \$2 or more he could designate that those first two dollars be contributed to the party of his choice. While the Camp Commission was of the opinion that such a provision would be a "worthwhile innovation", it did acknowledge that it could create considerable administrative difficulties.

(c) Public Funding

In its consideration of the subject of public funding of political activities, the Camp Commission canvassed a variety of arguments for and against the idea. It recommended against total public funding on the grounds that such a system would encourage the proliferation of political parties or independent candidates at public expense and that total public funding of both election campaigns and activities between elections would be too costly. The Camp Commission did, however, recommend that there be a limited form of public funding with respect to a candidate's election expenses. The Act, while adopting the principle of limited public funding, did not incorporate the Camp Commission's formula for reimbursements to candidates. Under the Camp formula, the more a candidate spent on his election campaign beyond a certain limit, the less his subsidy, and the less a candidate spent, the greater his reimbursement in relation to his overall expenditures. The formula adopted by the Act, as reproduced below, does not penalize the candidate who spends beyond a certain limit as recommended by the Camp Commission.

45. (1) Every registered candidate in an electoral district who receives at least 15% of the popular vote in such electoral district is entitled to be reimbursed by the Commission for the lesser of his campaign expenses for the campaign period as shown on his financial statement of receipts and expenses filed with the Commission in accordance with section 43, together with the auditor's report in accordance with subsection 41(4), or the amount that is the aggregate of 16 cents for each of the first 25,000 voters in his electoral district and 14 cents for each voter in excess of 25,000 in his electoral district. In addition, candidates in the electoral districts of Cochrane North, Rainy River, Kenora, Lake Nipigon, Algoma, and Nickel Belt receive an additional \$2,500 to cover transportation and other costs in these very large districts.

Finances

All necessary expenditures of the Commission are payable out of money appropriated by the Legislature. The total administrative costs of the Commission for the years 1976 to 1981 were:

1976	-	\$470,800
1977	-	\$387,100
1978	-	\$427,100
1979	-	\$427,300
1980	-	\$431,800
1981	-	\$552,700.

During 1975, an amount of \$468,800 was spent on the establishment of the Commission.

The Camp Commission recommended that the Commission's expenses not exceed \$500,000 in an election year. Except for the last reporting period, the Commission has been successful in keeping its expenses under this amount.

In addition to these direct expenses, the Commission is also responsible for two other statutory expenditures. First, it provides subsidies to the auditors for the audit of constituency association annual returns as well as candidate and constituency association campaign returns. For the years 1976 to 1981, these subsidies were:

1975	-	\$ 4,300
1976	-	\$294,800
1977	-	\$131,000
1978	-	\$302,000
1979	-	\$ 97,000
1980	-	\$ 92,000
1981	-	\$266,000.

The other statutory expenditure is the subsidy payable to individual candidates during an election campaign. This subsidy is based on a formula expressly

provided for in section 45 of the Election Finances Reform Act. The Act provides for the reimbursement of a candidate's election expenses where the candidate has obtained at least 15% of the popular vote in his electoral district. The Act stipulates that the candidate must take the lesser of the two amounts that are derived from the formula. Thus, the candidate's subsidy may consist of the campaign expenses for the campaign period as shown on his financial statement and as verified by his auditor, or the subsidy may consist of the amount that is the aggregate of 16 cents for each of the first 25,000 voters in his electoral district and 14 cents for each voter in excess of 25,000 in his electoral district. In addition, candidates in the northern Ontario electoral districts of Cochrane North, Rainy River, Kenora, Lake Nipigon, Algoma and Nickel Belt are entitled to an additional subsidy of \$2,500.

During the years 1976 to 1981, the total subsidies paid out by the Commission were:

1975	-	\$ 53,700
1976	-	\$2,056,302
1977	-	\$ 594,400
1978	-	\$1,603,100
1979	-	\$ 71,300
1980	-	no general or by-elections held
1981	-	\$1,717,000.

The Enforcement of the Act

Political financing in Canada and elsewhere has historically been associated with scandal and corruption or with the loose enforcement of existing laws which permitted individuals to neglect to adhere to the law. To ensure that corruption and scandal are avoided, election finance legislation required sufficiently stringent enforcement provisions. The Ontario Election Finances Reform Act provides fairly stringent enforcement provisions. Thus, the chief financial officer of a political party, of a constituency association or of a candidate is liable to a fine of not more than \$1,000 if he is found guilty of

contravening sections 42 or 43 of the Act; that is, those sections dealing with the filing of financial statements with the Commission. If the financial officer is found guilty of the above offence, then the political party or constituency association or candidate for which the financial officer acts is also guilty of an offence and, if convicted, the registered party may be fined not more than \$2,000, and the constituency association or candidate may be fined not more than \$1,000.

Moreover, any corporation or trade union that contravenes any provision of the Act is guilty of an offence and on conviction may be fined up to \$10,000. Any person, political party or constituency association that contravenes any provision of the Act may be fined not more than \$1,000 although there may not be a specific penalty attached to that contravention.

In addition, the Act requires that the Commission be accorded all necessary co-operation in its work and it is an offence to obstruct the Commission's investigations by withholding or destroying papers and documents, by knowingly making false statements or by giving false information.

In all cases where an offence has been committed, the prosecution may be instigated against a political party, constituency association or trade union in the name of the political party, constituency association or trade union and each shall be deemed to be a person for the purposes of the prosecution. The responsibilities of above-mentioned entities are re-enforced by a further provision in the Act which makes them responsible for the actions of any of their officers, officials or agents.

While the Act provides for strict enforcement of its provisions, it does not give the Commission the power to prosecute offenders on its own initiative. Rather, the Attorney-General is given the responsibility of initiating any proceedings against an offender, only after the Commission has given its consent. The Commission is required to report any apparent contravention of the Act. This method of proceeding appears to have been deliberate. The Commission has removed itself from being involved in actual court proceedings and has a formal veto over the initiation of proceedings. In terms of public relations, this method of procedure has some clear advantages, in that where the

Attorney-General wishes to strictly enforce the provisions of the Act under all circumstances, the Commission may defer such proceedings where it feels the offence may not occur in the future and particularly where the offender is instructed by the Commission to be more diligent in adhering to the provisions of the Act.

Accountability and Control

Given the fact that the Commission on Election Contributions and Expenses is not an agency in the strictest sense, in that it does not come under any Minister's responsibility, its accountability to the public does not conform to that of regular Government agencies, boards and commissions.

Under the Act, the Commission reports annually to the Speaker and its Report is laid before the Assembly. Consequently, the Assembly itself must take direct responsibility for the Commission and its activities. This it can do in a number of different ways. Since the expenditures of the Commission come from monies appropriated by the Legislature, the latter may, by way of the Estimates process, annually review the operation of the Commission. A further review of the financial aspects of the Commission's operations is through the Provincial Auditor's reports on the Commission's accounts and financial transactions.

The Commission also has the duty to make recommendations with respect to amendments to the Act. This provides an opportunity for the Assembly or one of its committees to make periodic assessments of the operation of the Act and to implement those recommendations which the Commission feels would improve its operations and its responsibilities to the Ontario public. Attached to this Report are several proposed amendments to the Act which this Committee has had the opportunity to review and to make appropriate recommendations to the Assembly.

Commission's Responsibilities With Respect to Members' Indemnities

Section 72 of the Legislative Assembly Act provides that the Commission on Election Contributions and Expenses review annually and make recommendations in respect of the indemnities and allowances of the members of the Assembly. The recommendations are formally presented to the Speaker who then causes the Report to be laid before the Assembly.

The powers of the Commission in this regard are limited and are advisory only. The recommendations of the Commission are not binding on the Assembly and the Assembly may adopt or reject the recommendations of the Commission.

In the Fourth Report (February 1981) of the Commission in respect of indemnities and allowances for members of the Assembly, the Commission quotes the 1970 Report of the New Zealand Royal Commission Upon Parliamentary Salaries and Allowances as to the four fundamental principles that should guide those in deciding the remuneration of legislative members:

- (a) That the occupation of a member of Parliament should be regarded as virtually full-time and professional in nature;
- (b) That it should be assumed that a member of Parliament has no other income;
- (c) That it should be accepted that members are married with family commitments; and
- (d) That regard should be had to the sacrifices a member and his wife (or husband) have to make in respect of their enjoyment of leisure and family life.

The Report goes on to indicate that the Commission in addition to considering these four principles when making its recommendations also "examined the indemnities payable to persons serving as Members of Parliament in Ottawa and as elected representatives in the legislatures of other provinces of Canada. In addition, interviews have been conducted with present and former Members of the three parties represented in the Ontario Legislature, including former Ministers of the Government."

The above principles and sources of information would appear to be used by the Commission as the basis for its annual review of members' indemnities and allowances.

Recommendations

In reviewing the work of the Commission on Election Contributions and Expenses, your Committee has had to consider recommendations to amend the Act that have come from several quarters. First, there are the recommended amendments to the Election Finances Reform Act made by the Commission itself as part of its statutory obligation. It would be fair to say that the Commission's recommendations concentrate on what could be considered 'housekeeping' matters; that is on the wording of either existing provisions that are not clear as to their intent or new provisions that amplify or clarify the intent of the Act as it is presently constituted. The Commission has not sought to propose substantive policy changes in the Act on the understanding that it is the Legislature itself which is responsible for proposing such policy changes in the Act.

This leads to the recommendations to amend the Act proposed by representatives of the Liberal Party and the New Democratic Party. There were over twenty such recommendations which ranged over a wide number of issues. A large proportion envisaged major changes to the Act and included such matters as limitations on campaign expenditures, limitation on the campaign period, limitations on media expenditures, limitations on government advertising, the issue of contributions to municipal elections, changes in the tax credit system, subsidies to political parties, an income tax check-off system, giving the Commission the additional responsibility of being a permanent Commission on representation and electoral boundaries, and several lesser matters.

In reviewing both sets of recommendations, those from the Commission and those from the political parties, the Committee concluded that it could adequately deal with the former set of recommendations. For one thing, they were largely technical in nature and had been thoroughly discussed by the Commission and envisaged no major policy changes. The recommendations of

the two political parties were, however, a different matter. If adopted, these proposals would change the Act in important ways that would affect all participants in the political process in Ontario. Your Committee felt, therefore, that the consideration of such major policy changes required a different review process than the one which it had entered into at the time.

As was indicated previously, the Commission on Election Contributions and Expenses is an agency of the Ontario Legislature and responsible to the Assembly for its activities. Given this relationship, the Committee felt that it could not, under these circumstances, comment on the appropriateness of the proposed amendments submitted by the representatives of the Liberal Party and the New Democratic Party without first reporting to the House that these two parties have sought to recommend major changes to the Act. The Committee felt that the House should be made aware of the proposed changes so that the House can decide the mechanism by which a detailed and comprehensive review of the Act should be made. Several alternatives present themselves. The House could create a Select Committee to review the existing legislation, it could ask for an independent body similar to the Camp Commission to do the work or it could refer the matter back to the Standing Committee on Procedural Affairs with a mandate to conduct a special review with extensive public hearings.

Your Committee, therefore, recommends that:

The Legislative Assembly, recognizing that substantive proposals have been submitted to amend the Election Finances Reform Act, consider what mechanism is most appropriate to deal with a comprehensive review of the Act. The Committee expresses its preference for this review to be undertaken by the Procedural Affairs Committee.

As for the proposed amendments to the Act submitted by the Commission, your Committee supports all the Commission's recommended amendments, except for two minor changes to recommendations number (6) and (9). Where the Commission proposes that the dollar amounts in these sections be raised to \$25 dollars, the Committee has recommended that they be raised to \$50 dollars.

Below are the Commission's recommended amendments including those amended by the Committee.

Consolidation of Recommended Amendments to the Election Finances Reform Act (1976-1982)

AMENDMENT PROPOSED

1. Clause 1(1)(g) of the Election Finances Reform Act being chapter 134 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

- (g) "contribution" does not include,
 - (i) any goods produced for any political party, constituency association or candidate by voluntary unpaid labour, or
 - (ii) any service actually performed for any political party, constituency association or candidate by an individual voluntarily, so long as such individual does not receive from his employer or from any person, corporation or trade union pursuant to an arrangement with his employer, compensation in excess of that which he would normally receive during the period such service is performed.

2. Clause k of subsection 1 of Section 4 is repealed and the following substituted therefor:

- (k) publish, in respect of each campaign period, a summary of
 - (i) the receipts, expenses and subsidy of each candidate, and
 - (ii) the receipts and expenses of the constituency association supporting the candidacy of that candidate

in a newspaper having a general circulation in the electoral district in which the candidate stood for election.

3. (1) Clause d of subsection 2 of section 10 of the said Act is repealed and the following substituted therefor:

- (d) at any time other than during a campaign period and within six months of the Commission making a determination under subsection 7 that the name of the political party and the abbreviation thereof, if any, is registrable, provides the Commission with the names, addresses and signatures of 10,000 persons who,

- (i) are eligible to vote in an election, and

- (ii) attest to the registration of the political party concerned.

- (2) Subsection 6 of the said section 10 is amended by inserting after "shall" in the fourth line "subject to subsection 5".

- (3) The said section 10 is amended by adding thereto the following subsections:
 - (7) A political party which intends to apply to the Commission for registration under clause d of subsection 2 shall, prior to canvassing for signatures for the purpose, submit to the Commission the full name of the political party and the abbreviation thereof, if any, and the Commission shall determine whether the name and abbreviation thereof, if any, is registrable in accordance with the provisions of subsection 5.
 - (8) Where the Commission determines that the name and abbreviation thereof, if any, of a political party is registrable, such name and abbreviation thereof, if any, shall be reserved for such political party for a period of six months following the date that the Commission makes such determination and, during such period, the political party shall be deemed to be a registered political party for the purpose of subsection 5.
- 4. (1) Subsection 2 of section 14 of the said Act is repealed and the following substituted therefor:
 - (2) Where a registered party or registered constituency association fails to comply with subsection 6 of section 10, subsection 4 of section 11, subsection 3 of section 34 or subsection 3 of section 44a or where the chief financial officer of a registered party or registered constituency association fails to comply with section 42 or 43, the Commission may deregister the registered party or constituency association, as the case may be.
- (2) Subsection 6 of the said section 14 is repealed and the following substituted therefor:
 - (6) Where a political party or constituency association is deregistered for failure to comply with section 42 or 43 or subsection 3 of section 44a, it may not apply for registration until the financial statements as required by section 42 or 43 or subsection 3 of section 44a, together with the auditor's report thereon as required by subsection 4 of section 41 that were not filed have been filed with the Commission.
- (3) The said section 14 is amended by adding thereto the following subsection:
 - (8) Where a registered party or a registered constituency association applies to the Commission for deregistration pursuant to subsection 14(1) the chief financial officer of the registered party or constituency association shall, at the same time, file with the Commission financial statements of assets and liabilities and of receipts and expenses of the political party or constituency association, as the case may be, for which he acted for the period commencing with the day immediately following the most recent period for which a financial

statement has been filed with the Commission under section 42 or this section and ending on the last day upon which any financial activity of the political party or the constituency association, as the case may be, has occurred, together with the auditor's report thereon as required by subsection 41(4).

5. Section 15 of the said Act is amended by renumbering subsection (1) as subsection (1a) and by adding thereto the following subsection:
 - (1) Every candidate shall, prior to polling day, file with the Commission an application for registration under this Act.
6. Subsection 2 of section 17 of the said Act is amended by striking out "\$10" in the third line and inserting in lieu thereof "\$50".
7. Subsection 2 of section 22 of the said Act is repealed and the following substituted therefor:
 - (2) The provision of goods or services to a political party, constituency association or candidate registered under this Act in any year, excluding any campaign period or part thereof in that year, or in any campaign period having a value, in the aggregate, of \$100 or less may, at the option of the person, corporation or trade union providing such goods or services, be considered not to be a contribution for the purposes of this Act.
8. Section 23 of the said Act is repealed and the following substituted therefor:
 23. (1) Where any person, corporation or trade union with the knowledge and consent of a political party or candidate registered under this Act promotes the political party or the election of the candidate or opposes any other registered political party or the election of any other registered candidate by advertising on the facilities of any broadcasting undertaking or by publishing an advertisement in any newspaper, magazine or other periodical publication or printed leaflets, pamphlets or other documents or through the use of any outdoor advertising facility and the amount of the cost thereof,
 - (a) in the case of any single such political advertisement is more than \$100; and
 - (b) in the case of any such political advertisements from a single source broadcast or published in any year, excluding any campaign period or part thereof in that year, or in any campaign period in the aggregate exceeds \$100,

such amount shall be considered to be a contribution for the purposes of this Act to the political party or candidate with whose knowledge and consent the political advertising was done.

- (2) Notwithstanding subsection 1, where political advertising is provided on the facilities of any broadcast undertaking without charge to registered political parties or to registered candidates in a particular electoral district in accordance with the provisions of the Broadcasting Act (Canada), the Regulations thereunder and Guides published in accordance therewith, such political advertising shall not be considered to be a contribution for the purposes of this Act to such political parties or candidates.
 - (3) No person, corporation, trade union or registered political party or constituency association shall cause any political advertisement to be broadcast on the facilities of any broadcasting undertaking or published in any newspaper, magazine or other periodical publication or through the use of any outdoor advertising facility unless he or it furnishes to the broadcaster or publisher of the political advertisement his or its identification in writing, together with the identification, in writing, of any person, corporation or trade union or registered political party or constituency association sponsoring the political advertisement.
 - (4) Any broadcaster who broadcasts or any publisher who publishes a political advertisement shall maintain records for a period of two years after the date of the broadcast or publication setting forth such advertisement, the charge therefor and any material relating to identification furnished to him in connection therewith and shall permit the public to inspect such records during normal office hours.
 - (5) For the purposes of this section, "political advertisement" and "political advertising" means any promoting or opposing of any registered political party or the election of any registered candidate but does not include any bona fide news reporting.
- 9. Subsection 3 of section 24 of the said Act is repealed and the following substituted therefor:
 - (3) Where a charge by the sale of tickets or otherwise is made for a fund-raising function, all or any portion of such charge, up to a maximum of \$50, may be considered not to be a contribution for the purpose of this Act.
 - 10. Section 31 of the said Act is amended by striking out "\$10" in the sixth line and inserting in lieu thereof "\$25".
 - 11. Subsection 3 of section 34 of the said Act is repealed and the following substituted therefor:
 - (3) Where the chief financial officer of a political party, constituency association or candidate ceases for any reason to hold office as such, the political party, constituency association or candidate, as the case may be, shall forthwith appoint another chief financial officer and shall immediately give notice in writing to the Commission of the name of the new chief financial officer.

12. Section 35 of the said Act is repealed and the following substituted therefor:

35. (1) Where any person, acting on behalf of,

(a) a political party of a constituency association registered under this Act, accepts in any year, excluding any campaign period or part thereof in that year or in any campaign period; or

(b) a candidate registered under this Act accepts in any campaign period,

a single contribution in excess of \$10 or contributions from a single source that in the aggregate exceed \$10, the chief financial officer of such political party, constituency association or candidate, as the case may be, shall record all such contributions and, in the case of a single contribution in excess of \$100 or contributions from a single source that in the aggregate exceed \$100, the name and address of the contributor.

35. (2) All contributions referred to in subsection 1 accepted on behalf of a political party or a constituency association registered under this Act in any year, excluding any campaign period or part thereof in that year, shall be recorded separately from all contributions accepted on behalf of that political party or constituency association in any campaign period.

13. Subsection 1 of Section 38 of the said Act is repealed and the following substituted therefor:

38. (1) No person, corporation, trade union, or unincorporated association or organization shall, after the issue of a writ for an election and before the day immediately following polling day, except during the period of twenty-one days immediately preceding the day before polling day,

(a) advertise on the facilities of any broadcasting undertaking; or

(b) procure for publication, cause to be published or consent to the publication of, except during such period, an advertisement in a newspaper, magazine or other periodical publication or through the use of outdoor advertising facilities,

for the purpose of promoting or opposing any registered party or the election of a registered candidate.

14. (1) Subsection 2 of section 38 of the said Act is repealed and the following substituted therefor:

(2) Subsection 1 does not apply to,

- (a) advertising of public meetings in constituencies;
- (b) announcing constituency headquarters' locations;
- (c) advertising for volunteer campaign workers;
- (d) announcing services for electors by constituency associations respecting enumeration and revision of lists of voters;
- (e) announcing services for electors on polling day; or
- (f) any other matter respecting administrative functions of constituency associations,

provided that advertisements, announcements and other matters are done in accordance with the guidelines of the Commission.

(2) Subsection 3 of the said section 38 is repealed and the following substituted therefor:

(2a) Nothing contained in subsection 1 prohibits the procuring for publication, causing to be published or consenting to the publication of an advertisement referred to therein,

- (a) on the day immediately preceding polling day in a newspaper which is published in Ontario not more frequently than once a week and whose day of regular publication falls on the day immediately preceding polling day; or
- (b) on the day immediately preceding polling day and on polling day through the use of any commercial billboard advertising facility.

15. (1) Subsection 1 of section 41 of the said Act is amended by inserting after "partners" in the sixth line "resident in Ontario".

(2) Subsection 2 of the said section 41 is amended by inserting after "partners" in the seventh line "resident in Ontario".

(3) Subsection 4 of the said section 41 is amended by striking out "42 and 43" in the fifth line and inserting in lieu thereof "42, 43 and 44a".

(4) Subsection 7 of the said section 41 is amended,

- (a) in clause a by striking out "under section 42 and under section 43", in the second and third lines and inserting in lieu thereof "under section 42, 43 and under section 44a"; and
- (b) in clause b, by inserting after "43" in the second line "and under section 44a".

(5) The said section 41 is amended by adding thereto the following subsection.

(8) The moneys required for the purposes of subsection 7 shall be paid out of the Consolidated Revenue Fund.

16. Section 42 and 43 of the said Act are repealed and the following substituted therefor:

42. The chief financial officer of every political party and constituency association registered under this Act shall, on or before the 31st day of May in each year, file with the Commission a financial statement,

- (a) of assets and liabilities as at the end of the previous year;
- (b) of receipts and expenses for the previous year, excluding, in the case of a political party, those receipts and expenses relating to an election received or incurred in a campaign period and, in the case of a constituency association, all receipts and expenses received or incurred in a campaign period; and
- (c) setting out all the information required to be recorded under subsection 1 of section 35 for the previous year, excluding such information that relates to a campaign period,

of the political party or constituency association for which he acts, together with the auditor's report thereon as required by subsection 4 of section 41.

43. (1) The chief financial officer of every political party, constituency association and candidate registered under this Act shall within six months after polling day, file with the Commission a financial statement,

- (a) in the case of a political party, of those receipts and expenses relating to the election received or incurred in the campaign period and, in the case of a constituency association or candidate, of all receipts and expenses received or incurred in the campaign period; and
- (b) setting out all the information required to be recorded under subsection 1 of section 35 that relates to the campaign period, of the political party, constituency association or candidate for which he acts, together with the auditor's report thereon as required by subsection 4 of section 41.

(2) In relation to a by-election, subsection 1 applies only to registered political parties and constituency associations that received contributions or made expenditures in relation to such by-election and to registered candidates at such by-election.

17. The said Act is amended by adding thereto the following section:

- 44a. (1) Where the chief financial officer of a registered political party or constituency association ceases for any reason, other than death or incapacity, to hold office as such, he shall within forty-five days following the day on which he ceased to hold office, file with the Commission financial statements of assets and liabilities and of receipts and expenses of the political party or constituency association, as the case may be, for which he acted for the period commencing with the day immediately following the most recent period for which a financial statement has been filed with the Commission pursuant to section 42 of this section and ending on the day on which he ceased to hold office, together with the auditor's report thereon as required by subsection 4 of section 41.
- (2) Where the chief financial officer of a registered candidate ceases for any reason, other than death or incapacity to hold office as such during a campaign period, he shall, within forty-five days following the day on which he ceased to hold office, file with the Commission a financial statement of receipts and expenses of the candidate for which he acted for the period commencing with the later of the day of his appointment and the day the candidate became registered with the Commission and ending on the day on which he ceased to hold office, together with the auditor's report thereon as required by subsection 4 of section 41.
- (3) Where, for any reason, the chief financial officer fails to file the financial statements required by subsection 1 or 2, or where the chief financial officer has died or become incapacitated, the political party, constituency association or candidate, as the case may be, for which he acted shall, within sixty days following the day on which the chief financial officer ceased to hold office, file with the Commission the financial statements required by subsection 1 or 2, as the case may be, together with the auditor's report thereon as required by subsection 4 of section 41.

18. (1) Subsection 1 of section 45 of the said Act is amended by adding at the end thereof "and such moneys shall be payable to the candidate's chief financial officer".
- (2) Subsection 5 of the said section 45 is amended by inserting after "be" in the fourth line "forthwith".
- (3) The said section 45 is amended by adding thereto the following subsections:
- (7) In this section, "popular vote" means the total counted ballots cast in favour of all candidates in an electoral district and does not include any rejected, cancelled, declined or unused ballots.

(8) The moneys required for the purposes of subsections 1 and 2 shall be paid out of the Consolidated Revenue Fund.

19. Subsection 1 of section 47 of the said Act is amended by striking out "42 or 43" in the third line and inserting in lieu thereof "42, 43 or 44a".
20. Section 54 of the said Act is repealed and the following substituted therefor:
 54. No prosecution shall be instituted under this Act without the consent of the Commission and no prosecution shall be instituted more than one year after the facts upon which the prosecution is based first came to the knowledge of the Commission.

ONTARIO LAND CORPORATION
(including the Ontario Mortgage Corporation)

As indicated in its last Report, your Committee had decided to review the operation of Ontario Mortgage Corporation. However, during the summer of 1982, the Ontario Mortgage Corporation ceased to exist as a separate Government institution, having merged with the Ontario Land Corporation. In view of the altered circumstances, it was decided that the Committee's review would include both the Ontario Mortgage Corporation and the Ontario Land Corporation, with an emphasis on the latter.

Ontario Mortgage Corporation (prior to merger)

The Ontario Mortgage Corporation was incorporated as a private company in 1974 pursuant to the Business Corporations Act. Ten shares were held in trust by the Crown in right of Ontario, with the Minister of Housing (now Minister of Municipal Affairs and Housing) holding six shares while two shares each were held by the Deputy Minister and the Chairman and President of the Corporation. In total there were eight directors of the Corporation.

The day-to-day operational responsibilities for the Corporation were delegated to the Vice-President and General Manager who oversaw four divisions of the Corporation: Mortgage Administration, Real Estate, Mortgage Finance and Mortgage Services.

Prior to 1978, the Ontario Mortgage Corporation was actively involved in the provision of mortgage funds under various Ministry of Housing programmes. The 1978 Ontario Budget initiated a new direction in the activities of the Corporation with the announcement by the then Treasurer, Darcy McKeough, that the Ontario Mortgage Corporation would "discontinue its role as a prime lender in the marketplace after completing current commitment...". In addition, the Government instructed the Corporation to sell its mortgage portfolio back to the private sector as market conditions allowed. In 1978/79, the Corporation offered for sale approximately \$125 million of the roughly \$1 billion portfolio under its management, and sold \$110 million of this portfolio. In the following

year, \$16.1 million of the mortgage portfolio was offered for sale and \$10 million sold. No offers for sale have been extended since then and it has been the Ministry's policy not to sell off any more mortgage assets, assets that are required to repay loans to the Treasurer of Ontario.

The Treasurer has been the Corporation's principal source of funds for mortgage lending. At March 31st, 1981, the debt to the Treasurer stood at \$568 million, having been reduced from \$585 million from the previous year.

On balance, the Ontario Mortgage Corporation has continued to be financially viable with respect to its mortgage assets. It is for this reason that the Ministry decided to merge the Ontario Mortgage Corporation with the Ontario Land Corporation which, on the other hand, has not been as successful in maintaining a financially viable position under present market conditions.

Ontario Mortgage Corporation (after merger)

As a result of the merger of the Ontario Mortgage Corporation with the Ontario Land Corporation, the former's Board of Directors has ceased to exist, though several of the members of that Board are also members of the Ontario Land Corporation Board.

The administrative structure of the Corporation has merged with the Ministry's administrative structure and the Ministry is in the process of integrating the Ontario Mortgage Corporation's four divisions - Mortgage Administration, Real Estate, Mortgage Finance and Mortgage Services - with the Ministry organizational structure. In other words, the Ontario Mortgage Corporation's operations are now conducted by the Ministry.

However, while administratively and structurally the Mortgage Corporation has ceased to exist, legally the Corporation continues to hold a charter under the Corporations Act. The continuation of the Corporation as a legal entity was deemed necessary for legal purposes, in that the mortgages owned by the Corporation will continue to be legally owned by the Corporation. This was considered necessary to avoid confusion for homeowners who will continue to make their payments to the Ontario Mortgage Corporation.

Ontario Land Corporation

The Ontario Land Corporation was created in 1974 by the Ontario Land Corporation Act and until June, 1978, the responsibility for the operation of the Ontario Land Corporation was with the Ministry of Treasury and Economics. After that date responsibility was transferred to the Ministry of Housing, now the Ministry of Municipal Affairs and Housing.

In January, 1979, certain lands, mortgages and other assets of the Ontario Housing Corporation were transferred to the Land Corporation and in May, 1979, the North Pickering Development Corporation merged with the Ontario Land Corporation.

The present merger of the Ontario Mortgage Corporation and the Ontario Land Corporation appears to be a continuation of the process of reorganization and consolidation of the Government's various housing and community development institutions.

The Ontario Land Corporation was created in 1974 by the Ontario Land Corporation Act as a corporation without share capital. The Board of Directors, consisting of not fewer than six and not more than twelve members, manages the affairs of the Corporation. The Vice-Chairman of the Corporation is also the Assistant Deputy Minister, Real Estate Wing, of the Ministry of Municipal Affairs and Housing. In fact, the relationship and the structural links between the Corporation and the Ministry are very close. The Ministry's Land Development Division provides corporate administration for the Corporation and is responsible for managing the overall operations of the Corporation including the development of policies to attract private sector participation in its projects.

Section 13 of the Act provides that the objects and powers of the Corporation are as follows:

13.--(1) The objects of the Corporation are to assist in the promotion of community and industrial development of land in Ontario by the acquisition of land, development of land and the disposal of land to persons in the private and government sectors for residential, community, industrial, governmental and commercial uses and, without limiting the generality thereof, in the carrying out of those objects the Corporation has the power to,

- (a) alone or in conjunction with any person or governmental authority, acquire, develop, redevelop, improve, alter, maintain, lease, license, sell, exchange, mortgage or otherwise deal with, as the Corporation considers advisable, any land in Ontario or any interest therein, including all or any buildings or structures that are then or may thereafter be erected, altered, or improved thereon, with power to enter into any agreement relating thereto;
- (b) lend and invest money on security of real estate and to sell, mortgage, or otherwise dispose of mortgages;
- (c) subscribe for, purchase, invest in, sell, assign or otherwise deal in shares, stocks, bonds, debentures, notes and other securities of any government or municipal corporation, or of any corporation whose objects include the buying and selling of land; and
- (d) do anything that, in the opinion of the Board, can be done advantageously by the Corporation in connection with or ancillary to the carrying out of the objects of the Corporation set out in clauses (a), (b) and (c).

The Corporation is given additional powers to expropriate land, to have assets transferred to it from the Province or any board, commission or agency, and to use the services and facilities of any ministry, board, commission or agency. The Corporation is also given general borrowing powers and can issue notes, bonds and debentures and other securities at rates of return determined by the Corporation and subject to approval by the Lieutenant Governor in Council. Certain powers provided in the Corporations Act are also possessed by the Corporation. Provision also exists in the Act for the Corporation to repay advances made by the Province, as well as the payment of notes, bonds and debentures or other securities of the Corporation issued or delivered to the Corporation. In addition, provisions exist for the payment in whole or in part of any loan or security, notes, bonds, debentures and any other liability or indebtedness of the Corporation. It may be said that these and other provisions of the Act permit the Corporation to deal with securities much like a similar corporation in the private sector.

The Act also gives the Treasurer the authority, subject to approval by the Lieutenant Governor in Council, to make loans to the Corporation and may acquire as evidence bonds, debentures, etc., of the Corporation. The Lieutenant Governor in Council is authorized to raise funds for the Corporation on terms

and conditions agreed upon by the Treasurer and the Corporation. The Corporation is also permitted to make temporary loans from chartered banks.

The Corporation is also authorized to purchase or sell securities of the Governments of Canada, Ontario or any other province, of insurance companies, of any chartered bank, of any trust company.

In keeping with its mandate "to assist in the promotion of community and industrial development of land in Ontario", the Corporation acquired parcels of land in various parts of the province, some of which are already being developed while others await development in the future.

One such community project in Scarborough is called Malvern where the population is already approaching 30,000. Further development is proceeding with construction of a core area, including a church campus and a recreation and library complex. In addition, land marked for commercial and industrial uses has been sold and is being serviced.

The Corporation's newest community project, Townsend, is in the Haldimand-Norfolk region where servicing has been completed and home building begun. In addition, work has commenced on commercial, recreational and administrative facilities. In the same region, the Corporation also holds title to over 12,000 acres, but leases the land back to the resident farmers.

The Corporation was also involved in the Saltfleet development in Stoney Creek where it sold or optioned 197 units. The Corporation reports that this will be replanned in view of lower population projections. The Corporation also sold housing units in Hamilton, Kitchener, Guelph, Sudbury, Garson, Sarnia and Welland. In addition, the Corporation sold land in Thunder Bay, Red Lake and Malvern.

For the future, the Corporation is in the process of working with the Durham regional government on a plan to develop the Seaton project, formerly North Pickering. The Corporation has additional projects in the planning stage in Peterborough, Nepean, Bowmanville, Hamilton Mountain, Mohawk Gardens and in London.

Apart from the Malvern and possibly the Townsend projects, most of the other projects in which the Corporation is involved are of a relatively small scale and, therefore, have comparatively little economic impact on the housing and land assembly industry in Ontario.

The Corporation's success in developing its land assembly sites for residential, commercial and industrial uses can be gauged by comparing the size of "its developed vs its undeveloped land holdings". As of March 31st, 1981, the Corporation had an inventory of 27,721 hectares of land of which 27,363 were undeveloped. The Corporation has leased back over 20,000 hectares to farmers in the areas where the land is situated.

The whole question of what has become of the land assembled by the Province was the subject of a Public Accounts Committee examination in 1980. The Committee concluded that because much of the land at the South Cayuga site, the eastern Ontario site at Edwardsburgh, and even at the Townsend site has not and will not likely be developed in the future, the Province should consider selling that land back to the private sector. This raises the whole question of what the Province's policy is with respect to land assembly.

To finance its investment in real estate and agreements for sale on mortgages arising from the sale of real estate, the Corporation borrows funds from two major sources - the Canada Mortgage and Housing Corporation (C.M.H.C.) and the Treasurer of Ontario.

The Corporation has borrowed from the C.M.H.C. and the debt is repaid through a global debenture. The Corporation's indebtedness to C.M.H.C. at March 31st, 1981, was \$106,262,690, \$35,250,199 of which is in debentures amortized over periods not in excess of 25 years, while \$71,012,491 consists of advances which are transferred to debentures once the project for which the funds were borrowed is complete.

For the period ending March 31st, 1981, the Corporation has two forms of debts to the Treasurer of Ontario - interest bearing notes and non-interest bearing notes. In 1981, the former amounted to \$116,965,384, while the latter amounted to \$399,880,776. These advances are repayable at such times as funds are recovered from the Corporation's assets.

The Corporation's investment in land as of March, 1981, amounted to \$492,980,934. It will be recalled that the greater part of the land owned by the Corporation is undeveloped and the good agricultural land has been leased back to farmers on a five-year basis at rates set by the Ministry of Agriculture and Food, varying according to the quality of the land. Revenue from this source came to \$2.8 million while taxes and revenue were \$2.7 million. The Corporation has also sought to sell land for residential commercial, industrial and other uses. In 1980/81, land sales amounted to \$23 million as compared to \$17 million in the previous year. The area involved was relatively small.

Over the last five years, the Corporation has had relatively little success in trying to sell or develop the vast holdings. Regardless, it must continue to repay its loans from C.M.H.C. and the Treasurer of Ontario. While the Corporation has an arrangement with C.M.H.C. to repay that debt, the repayments to the Treasurer of Ontario are more problematic. The Treasurer has assisted the Corporation by not requiring the payment of interest on the major portion of the Corporation's debts. Nevertheless, the principal on these debts has to be repaid. The Corporation is presently negotiating an agreement with the Treasurer on a plan of repayment of its outstanding debt.

Recommendations

It is evident to the Committee that the Ontario Land Corporation is experiencing difficulty in disposing of its large land holdings under present market conditions and, as a result, it is having some difficulty repaying the Treasurer for the large public investment in such lands. For this reason, the Ministry of Municipal Affairs and Housing has merged the Ontario Mortgage Corporation with the Ontario Land Corporation. It is in the public interest that these lands be developed in some form or sold for commercial, industrial or residential development. Your Committee, while recognizing the realities of the present economic climate, nevertheless believes that these lands should be used or sold as quickly as market conditions permit, and that the Ministry of Municipal Affairs and Housing should ask the Ontario Land Corporation to develop a long-term development strategy with respect to its land portfolio.

Your Committee, therefore, recommends that:

The Ontario Land Corporation develop a long-term development strategy with respect to the future use or disposal of the Corporation's land holdings, and that once approved by the Government the plan be laid before the Assembly.

The Committee would like to point out that a significant portion of these lands in urban areas was intended to be eventually used for residential development. The Committee believes that this objective is still a worthy goal. It is conceivable that at some future date these lands may again be required to form the basis of a Government-supported housing programme.

Your Committee recommends that:

The Ontario Land Corporation, as part of its development strategy, give consideration to holding lands in urban areas for future residential development.

The housing programmes that were implemented in the mid-1970's were aimed at providing housing for low-to-moderate income families. The Committee considers this a worthwhile objective and would like to see consideration given to the development of residential housing geared to these income levels.

Your Committee, therefore, recommends that:

Where the Ontario Land Corporation sells land for residential development, the Corporation give consideration to the development of some housing for low-to-moderate income families.

III MINISTERIAL RESPONSES TO 5th REPORT

As part of its review process, your Committee has sought to follow up on its recommendations with respect to the following agencies reviewed in the Committee's 5th Report:

Ontario Police Commission
Ontario Energy Board
Toronto Area Transit Operating Authority
Ontario Board of Censors.

The Committee's recommendations with respect to the Ontario Police Commission were reviewed by the Solicitor General who responded by letter dated 14 July 1982.

Recommendation

The Ontario Police Commission make its inspections of the Province's local police forces and the Ontario Provincial Police mandatory on an annual basis and that any recommendations that result from such inspections be made public.

The Minister indicated that the Commission does conduct annual inspections of all 127 municipal police forces, and that he would be "prepared to consider and discuss with both the Commissioner of the Ontario Provincial Police and the Chairman of the Ontario Police Commission" a limited inspection of the O.P.P.'s activities. As for the inspection reports being made public, the Minister indicated that he would prefer to "reserve judgement" on the matter.

Recommendation

A system of training of all police officers be made compulsory prior to their being hired by the local force.

The Minister indicated that his "own personal preference would be to consider amendments to the Police Act prescribing minimum standards for permanent appointment as a police constable in the Province of Ontario". He went on to detail what these standards would entail and how they would be enforced:

"This would encompass training, physical and mental standards, educational standards and assessment of the individual's ability and character to carry out the duties of policing. The approved training format should cover the period in which the training must be successfully completed and the process by which an unsuccessful constable may be discharged. It could further include promotional procedures, including the use of assessment duties for the examination of all police officers being considered for appointment to the rank of inspector or higher."

Recommendation

The Ontario Police Commission pursue the question of university accreditation of police courses with the Ministry of Colleges and Universities.

While the Minister indicated general sympathy with this suggestion, he did note that "universities will not and should not accept our courses (at the Ontario Police College) willy-nilly and accredit them".

Recommendation

The Ontario Police Commission conduct firearm training on a regional basis throughout the province.

In the opinion of the Solicitor-General, a regional approach to firearm training would be "unwise"; rather, he believes that a centralized approach would enhance quality control.

Recommendation

The Ontario Police Commission initiate training courses in police pursuits.

The Minister stated that "a course in police pursuit driving will commence at the Ontario Police College in October, 1982".

Recommendation

The Police Act be amended to provide for the right of a citizen to lodge a complaint against a member of any police force in the province.

The Minister indicated that this matter is being reviewed as part of the Ministry's general review of the Police Act. Moreover, he stated that the police community is "agreed upon the need for a legislative framework...".

Recommendation

The Police Act be amended to recognize the Ontario Police Commission as the final appeal body with respect to citizen's complaints.

The Minister responded by indicating that "the Ontario Police Commission would seem the logical final appeal body as it currently performs that function in the present complaints procedure developed in co-operation with the Ontario Association of Chiefs of Police".

Recommendation

The Public Authorities Protection Act, R.S.O. 1980, c.406, s.11(a), be amended by increasing the period of time when proceedings against a police officer can commence to one year.

According to the Solicitor-General, "The Ministry of the Attorney-General has been conducting a comprehensive review of all limitation periods and the Public Authorities Protection Act is being considered along with other legislation."

Recommendation

The citizen complaint process consist of two steps. In the first instance a complaint may be lodged with the local chief of police or local police governing authority. Any appeal therefrom would lie directly to the Ontario Police Commission.

The Minister stated that this was a "reasonable" procedure to follow, and that "there may be some need to formalize these procedures through amendments to the Police Act...".

Recommendation

Local police forces increase their efforts to publicize their complaint procedures.

In the Minister's words: "I will, through the Ontario Police Commission, encourage local chiefs to so do."

Recommendation

The Ontario Police Commission charge one of its officers with the responsibility of overseeing and monitoring the citizen complaints process in the various police forces in the Province.

The Solicitor-General stated that this practice is now being followed, but that "There may be some need to formalize these procedures through amendments in the Police Act...".

Recommendation

There be appointed to the Ontario Police Commission a permanent and full-time Vice-Chairman with responsibility to hear appeals stemming from charges that the Code of Offences has been breached.

This matter, according to the Minister is being reviewed, and that "appointments to the Ontario Police Commission will be made to improve the carrying out of its mandate." Subsequent to the Solicitor General's letter, John P. MacBeth, Q.C., was appointed a Vice-Chairman of the Commission effective the 1st of August, 1982. Hearing appeals with respect to disciplinary matters will be one of his several responsibilities.

Recommendation

The Ontario Police Commission create a panel of three to hear appeals arising from alleged breaches of the Code of Offences and that the panel consist of the Ontario Police Commission Vice-Chairman, a representative of the chiefs of police and a representative of the ordinary police officer.

The Minister indicated that this matter was being reviewed as part of a general review of the Police Act.

With respect to the Committee's recommendations directed to the Ontario Energy Board, the Minister of Energy responded in a letter dated 25 October 1982.

Recommendation

The Ontario Energy Board Act be amended to provide that the Board have power to issue orders with respect to Ontario Hydro rate increases.

Although the Minister recognized that there are some similarities between gas utilities and Ontario Hydro, the differences outweighed the similarities. Two basic points were made by the Minister. First, Ontario Hydro is itself a

regulatory body. Second, capital projects and Hydro's borrowing programme is subject to approval by the Lieutenant Governor in Council. These two factors, the Minister contended, placed Ontario Hydro outside the Ontario Energy Board's jurisdiction. In light of these circumstances, the Minister of Energy concluded:

"Accordingly, it is perhaps appropriate that Ontario Hydro explain its proposed rates publicly before the Ontario Energy Board, which in my experience performs a very useful scrutiny and also provides a forum for public participation, but that the Board's report remain advisory rather than binding."

Recommendation

The Ontario Energy Board be authorized to introduce an automatic pass through system for those gas rate increases that result solely from the increase in the city-gate price of natural gas.

In responding to this recommendation the Minister indicated that he had "under consideration a proposed legislative amendment to achieve this end...", but, at the same time, wondered whether in a period of escalating energy prices "the public perhaps deserves the assurance that all elements of energy costs are being scrutinized by a provincial agency."

Recommendation

The Ontario Energy Board in future charge fees sufficient to recover the full costs of operating the Board.

The Minister indicated that the Board "currently recovers from applicants all of its direct expenditures on hearings plus a portion of its overhead and indirect expense." The Minister, however, did not feel it would be appropriate for the Board to recover its full costs of operating in view of the fact that any further increase in charge-back costs would be reflected in the rates, and that this practice would "make the Board in a sense dependent on gas utilities."

Recommendation

The Minister of Energy be authorized to ensure uninterrupted service in the event of a gas company ceasing its operations.

In response, the Minister indicated that there existed "the possibility of a combination of bankruptcy of a distributor plus adverse economics of distribution leaving both Board and Minister powerless to prevent an interruption of service, except by direct Government intervention and funding." However, in the opinion of the Minister, "such an extraordinary step would require careful scrutiny at the time and on the particular merits of the case."

Recommendation

The Minister of Energy establish a policy for gas companies with respect to the termination of gas supply to a customer, in order to give the customer every opportunity to resolve his or her contractual dispute with the distributor.

The Minister, in response to this recommendation, referred to a letter written by the Chairman of the Ontario Energy Board who reviewed this matter with the three major gas utility companies in Ontario. The Chairman, in a letter dated March 2nd, 1982, provided the following information:

- "(1) Overall, it is apparent that cutting off gas service is not a spur of the moment decision. It invariably follows a lengthy process of notices, and warnings and personal visits by field staff. The precautions taken, particularly during the heating season, render the chances of severance of service in error to a minimum.
- "(2) Consumers' Gas
The local dispatch office, which is open 24 hours, has the names of people who are on call from the Credit Department. They have the authority to take immediate action on any problems which arise after hours or on weekends.
- "(3) Northern and Central Gas
The customer has a published emergency telephone number. Upon receipt of an emergency call, the most senior collection department employee is alerted to contact the customer, review the facts and take appropriate action without delay. Service is never suspended on Fridays, weekends or statutory holidays during the winter months.

"(4) Union Gas

Each operating division has management or supervisory personnel available on a twenty-four hour basis, 365 days of the year, to investigate emergency calls and have the authority to resolve such situations. These people are reached through the local dispatch centres whose phone numbers are available through the after-hour telephone recordings obtained when Union's normal numbers are called."

Recommendation

The Minister of Energy and the Ontario Energy Board propose amendments to the Ontario Energy Board Act on the basis of the recommendations of the Royal Commission Inquiry into Civil Rights.

The Minister indicated that he was considering "the possibility of certain 'housekeeping' amendments to the Ontario Energy Board Act..." and intends "to re-examine the recommendations of the McRuer Report to determine whether any other amendment is warranted."

The Minister of Transportation and Communications made the following response to the recommendations of the Committee with respect to the Toronto Area Transit Operating Authority in a debate in the House on 28 October 1982.

Recommendation

The Minister of Transportation and Communications, supported by the authority of the Cabinet, enter into negotiations with Canadian National Railways with a view to establishing a more equitable contract between Canadian National Railways and the Toronto Area Transit Operating Authority.

While the Minister indicated a sympathy with the intent of the recommendation, he reiterated the fact that the 10-year contract which was signed by Canadian National Railways and the Toronto Area Transit Operating

Authority was a result of negotiations over the years and that "the negotiations were somewhat one-sided, because the railways do have a monopoly over those rights of way." Nevertheless, he believed that "we ended up with a fairly good agreement."

Recommendation

The Toronto Area Transit Operating Authority ensure that its services, particularly bus services serving the inter-regional mandate of the Authority, not duplicate similar services provided by the regional and local municipalities.

The Minister stated that the Ministry, given its responsibility to plan and co-ordinate GO Transit inter-regional services, has been careful to avoid duplication, and gave instances "in Mississauga and Brampton where changes have been made to the services so that there would be no duplication."

Recommendation

The Authority implement a fare rate that will come closer to a 65:35 ratio.
(Public subsidy of fares.)

In the words of the Minister, "Over the years we have been trying very hard to get to that cost-revenue ratio, but each year, when we seem to get a little closer, inflation takes over, the price of fuel skyrockets, and the national energy policy gets involved." In addition, the Minister pointed out that with the Government's administered prices being fixed at 5 percent the Authority is not as likely to reach this ratio in the coming year.

Recommendation

The Ministry of Transportation and Communications initiate the extension of rail commuter service to Oshawa on the east and Hamilton/Stoney Creek on the west.

The Minister explained that "A few weeks ago, after completing all our studies, I was able to make the announcement that we are planning to do exactly that."

Recommendation

The Minister of Transportation and Communications give consideration to extending GO rail service to Barrie and Uxbridge.

The Minister indicated that on September 7th, 1982, new GO rail services extended to Bradford on the Barrie line and to Stouffville on the Uxbridge line.

At the time of writing, the Minister of Consumer and Commercial Relations had not responded to the Committee's recommendations with respect to the Ontario Board of Censors.

IV SUMMARY OF RECOMMENDATIONS

- The Wolf Damage Assessment Board be continued under the Dog Licensing and Livestock and Poultry Protection Act with its present structure and mandate. (Page 5)
- The Ministry of Citizenship and Culture develop a funding plan for all cultural institutions supported by the Province in order that they may have some measure of revenue stability. (Page 10)
- The Art Gallery of Ontario seek increased financial support from Federal Government agencies. (Page 10)
- The Ministry of Citizenship and Culture ask the Federal Government to amend the Income Tax Act (Canada) to provide individuals and corporations with a greater incentive to donate to the Gallery, particularly with respect to the gifting of intangible appreciated property such as securities. (Page 11)
- The Ministry of Citizenship and Culture investigate the best way to provide a self-insurance plan for the Gallery and that the Ministry seek the involvement of the Government of Canada in such a plan for similar institutions across Canada. (Page 12)
- The relationship between the Art Gallery of Ontario and other Ontario art galleries be formalized with respect to services the Art Gallery now provides informally. (Page 12)
- The Civil Service Commission establish clear and uniform guidelines with respect to section 11 (a), (b) and (c) of the Public Service Act. (Page 23)
- The Civil Service Commission publicize its guidelines with respect to Government employee participation in municipal elections and that it act in an advisory capacity with respect to inquiries from employees contemplating entry into municipal politics. (Page 23)

- The Civil Service Commission create a mechanism by which appeals as to the interpretation of Section 11 (a), (b) and (c) of the Public Service Act can be decided expeditiously. (Page 24)
- The Civil Service Commission initiate, along with the Management Board of Cabinet, a special review of the status of long-term, part-time employees with a view to including such employees in the appropriate bargaining units. (Page 24)
- The Commission conduct a study of the unclassified employees who work on contract, to ascertain their numbers and to determine whether the use of such contract employees is cost-efficient and operationally efficient. (Page 25)
- The Legislative Assembly, recognizing that substantive proposals have been submitted to amend the Election Finances Reform Act, consider what mechanism is most appropriate to deal with a comprehensive review of the Act. The Committee expresses its preference for this review to be undertaken by the Procedural Affairs Committee. (Page 42)
- The Ontario Land Corporation develop a long-term development strategy with respect to the future use or disposal of the Corporation's land holdings, and that once approved by the Government the plan be laid before the Assembly. (Page 59)
- The Ontario Land Corporation, as part of its development strategy, give consideration to holding lands in urban areas for future residential development. (Page 59)
- Where the Ontario Land Corporation sells land for residential development, the Corporation give consideration to the development of some housing for low-to-moderate income families. (Page 59)

APPENDIX A

DISSENTING OPINION of Michael Breagh, M.P.P. and Brian Charlton, M.P.P.

Civil Service Commission

We regret the absence in the Committee's Report of a recommendation of the Weiler Report to have the Civil Service Commission report to the Minister of Labour. Although the Committee did discuss the matter at some length, it refused to accept this proposal to eliminate a conflict of interest in Cabinet responsibility and to provide for a more rational allocation of jurisdiction. We recognize that this proposal is now being considered by the Cabinet. We feel that the Ontario Public Service Employees' Union's support for this proposal and the comments by the Civil Service Commission established that the Weiler Report proposals would alleviate several problems as outlined by the union and would cause no difficulty for the Commission. We therefore dissent from the Report of the Committee and would like to endorse the content of the Weiler Report and urge the Cabinet to adopt the recommendation.

APPENDIX B**TERMS OF REFERENCE**

Journals, Friday, 24 April 1981, pp. 19-20

On motion by Mr. Wells, seconded by Mr. Gregory,

Ordered, That the following Standing Committees be established for this Session, with power to examine and inquire into all such matters as may be referred to them by the House, with power to send for persons, papers and things, as provided in section 35 of the Legislative Assembly Act:-- ...Standing Committee on Procedural Affairs -- 12 Members... (with 7 from the Government Party, 3 from the Official Opposition and 2 from the Third Party)... appointed for this Parliament to review and report to the House its observations and opinions on the operation of the Standing Orders of the House, and such additional matters as may be referred to it by the House or by Mr. Speaker from time to time, and that the Committee also have power to review the operation of all Agencies, Boards and Commissions to which the Lieutenant Governor in Council makes some or all of the appointments, and all corporations in which the Crown in right of Ontario is a majority Shareholder, such reviews to be made with a view to reducing possible redundancy and overlapping; and the Committee may not meet during Summer adjournments or during intervals between Sessions without authorization from the Assembly.

APPENDIX C

WITNESSES

Wolf Damage Assessment Board - Wednesday, 8 September 1982

Grant Preston
Chairman
Wolf Damage Assessment Board

John Gartshore
Member
Wolf Damage Assessment Board

Bernie McCabe
Director, Economics Branch
Ministry of Agriculture and Food

Nancy Bardecki
Director, Farm Assistance Programme Branch
Ministry of Agriculture and Food

Art Gallery of Ontario - Thursday, 9 September 1982

Michael Koerner
President
Art Gallery of Ontario

William Withrow
Director
Art Gallery of Ontario

Norm Walford
Corporate Secretary
Art Gallery of Ontario

Tim Hopcraft
Controller
Art Gallery of Ontario

J. D. McCullough
Assistant Deputy Minister
Arts, Heritage and Libraries
Ministry of Citizenship and Culture

Civil Service Commission - Friday, 10 September 1982

Sean O'Flynn
President
Ontario Public Service Employees Union

Andrew Todd
Chief Negotiator
Ontario Public Service Employees Union

Civil Service Commission - Tuesday, 14 September 1982

Rollie Scott
Executive Director, Staff Relations Division
Civil Service Commission

John A. Jackson
Executive Director, Compensation Division
Civil Service Commission

L. M. Tobias
Director, Recruitment Branch
Civil Service Commission

James Hansen
Executive Secretary, Senior Appointments and Compensation
Civil Service Commission

**Commission on Election Contributions
and Expenses - Wednesday, 15 September 1982**

James H. Evans
President
Ontario Liberal Party

James A. Renwick, Q.C., M.P.P.
Riverdale
New Democratic Party of Ontario

Jack Murray
Past Provincial President
New Democratic Party of Ontario

Ed Dale
Administrative Assistant
New Democratic Party of Ontario

Bernie Nayman, C.A.
Auditor
New Democratic Party of Ontario

**Commission on Election Contributions
and Expenses - Thursday, 16 September, 1982**

Barbara Sullivan
Vice-Chairman
Commission on Election Contributions and Expenses

Anna Stevenson, Q.C.
Legal Advisor
Commission on Election Contributions and Expenses

**Commission on Election Contributions
and Expenses - Thursday, 16 September, 1982 (continued)**

Robert B. Dobson
Registrar
Commission on Election Contributions and Expenses

Peter Maddaugh
Counsel
Commission on Election Contributions and Expenses

Ontario Land Corporation - Thursday, 30 September 1982

The Honourable Claude Bennett, M.P.P.
Minister of Municipal Affairs and Housing

R. W. Riggs
Vice-Chairman and Chief Executive Officer
Ontario Land Corporation

A. C. Beattie
Director, Real Estate Wing
Ontario Land Corporation

H. W. Hignett
Chairman, Board of Directors
Ontario Land Corporation

D. Haley
Director, Real Estate Wing
Ontario Land Corporation

R. Grant
Director, Marketing and Long-Term Planning Branch
Ontario Land Corporation

APPENDIX D

AGENCIES, BOARDS AND COMMISSIONS REVIEWED TO DATE

- 1st Review: Waste Management Advisory Board
Pesticides Advisory Committee
Ontario Food Council
Agricultural Research Institute
Alcoholism and Drug Addiction Research Foundation
Ontario Institute for Studies in Education
Education Relations Commission
Farm Machinery Board
Land Compensation Board
Milk Commission of Ontario
Cream Producers' Marketing Board
St. Lawrence Parks Commission
Ontario Council for the Arts
Ontario Heritage Foundation
- 2nd Review: Ontario Research Foundation
Ontario Telephone Service Commission
Ontario Housing Corporation
Ontario Food Terminal
Ontario Council of Health
Ontario Municipal Board
- 3rd Review: Ontario Educational Communications Authority
Ontario Lottery Corporation
Board of Ophthalmic Dispensers
Ontario Labour Relations Board
Ontario Northland Transportation
Liquor Control Board of Ontario
- 4th Review: Ontario Racing Commission
Ontario Hockey Development Committee
Farm Pollution Advisory Committee
Ontario Place Corporation
- 5th Review: Ontario Board of Censors
Ontario Energy Board
Ontario Police Commission
Toronto Area Transit Operating Authority
- 6th Review: Art Gallery of Ontario
Civil Service Commission
Commission on Election Contributions and Expenses
Ontario Mortgage Corporation
Wolf Damage Assessment Board



Standing Committee on Procedural Affairs

Report on Agencies, Boards and Commissions (No. 7)

3rd Session 32nd Parliament
32 Elizabeth II



LEGISLATIVE ASSEMBLY
ASSEMBLÉE LÉGISLATIVE

The Honourable John M. Turner, M.P.P.
Speaker of the Legislative Assembly.

Sir,

Your Standing Committee on Procedural Affairs has the honour to present its
Report and commends it to the House.



Richard L. Treleaven, Q.C., M.P.P.
Chairman

Queen's Park
15 December 1983

**MEMBERSHIP OF THE STANDING COMMITTEE
ON PROCEDURAL AFFAIRS**

RICHARD L. TRELEAVEN, Q.C.
Chairman

ANDY WATSON
Vice-Chairman

MICHAEL BREAUGH
MICHAEL CASSIDY
SAM L. CUREATZ*
HUGH EDIGHOFFER
HERBERT A. EPP

JACK JOHNSON
REMO MANCINI
RONALD K. McNEIL
DAVID ROTENBERG
ROBERT W. RUNCIMAN*

A. SMIRLE FORSYTH
Clerk of the Committee

JAMES STESKY
Assistant to the Clerk

JOHN EICHMANIS
Research Officer

* Substituted by Order of the House. Replaced Allan McLean and James A. Taylor.

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I INTRODUCTION

The Legislative Assembly of Ontario has assigned to the Standing Committee on Procedural Affairs the task of reviewing the operations of the agencies, boards and commissions of the Government of Ontario.¹ The Committee held public hearings during September, 1983, and heard testimony from representatives of the following agencies:

Criminal Injuries Compensation Board
 The Law Society of Upper Canada
 Ontario Cancer Treatment and Research Foundation
 Ontario Manpower Commission
 Ontario Status of Women Council

This report contains your Committee's observations and recommendations based on its review of these agencies, boards and commissions. In February, 1984, the Committee will review the operation of the following agencies, boards and commissions:

Alcohol and Drug Addiction Research Foundation
 Board of Funeral Services
 Board of Parole
 Board of Visitors of Homewood Sanitarium, Guelph
 Crop Insurance Commission
 Game and Fish Hearing Board
 IDEA Corporation
 Nursing Homes Review Board
 Ontario Educational Services Corporation
 Social Assistance Review Board

Members of the Committee wish to express their appreciation to all of the witnesses who appeared to present their views.² The Committee also expresses

¹ See Appendix A for the Committee's terms of reference.

² See Appendix B for a list of witnesses who appeared before the Committee.

its appreciation for the cooperation of officials of various ministries of the Government of Ontario and the agencies themselves. In addition, the Committee urges Ministers under whom these agencies fall to give serious and thoughtful consideration to the Committee's recommendations, though it may be that not in every instance will the Minister agree with all of the Committee's recommendations.

The Committee also wishes to acknowledge the assistance and dedication of the Clerk of the Committee and the Research Officer to the work of the Committee.

The recommendations contained in this report represent a consensus of opinion rather than complete agreement on every issue before it. While not every member may agree with every recommendation, your Committee is pleased to present a report that each member can support.

II AGENCY REVIEW

ONTARIO STATUS OF WOMEN COUNCIL

Over the last several decades the issue of women's rights has become a major social issue. Out of the frustrations of the past, a women's movement emerged in the 1960s and 1970s committed to changing the traditional status and role of women in society. Demands for equality, fairness and opportunity were expressed and governments were asked to respond to these demands and institute changes that would enable women to achieve their desired goals. At the federal level, a Royal Commission on the Status of Women was established to review the position of Canadian women under various federal laws and practices. The recommendations which the Royal Commission proposed were far-reaching.

One of its recommendations was the creation of a federal Status of Women Council, an independent agency of the government reporting to Parliament, which would "continually assess changing public attitudes towards the status of women and would be concerned with identifying new needs and formulating new proposals." Concomitant with this proposal, which was eventually implemented, the Royal Commission recommended that, "each province and territory establish a government bureau or similar agency concerned with the status of women which would have sufficient authority and funds to make its work effective."

The Government of Ontario responded in 1973 by creating the Ontario Status of Women Council.

The Council, as of November 1983, consists of a President, Vice-President and sixteen members, all appointed by the Lieutenant Governor in Council. All positions are part-time, including that of the President.

The membership is rotating, so that in the first instance (that is, for those appointed in 1974 and after) one-third of the appointees retire after a three-year

term, one-third retire after two years and one-third after one year. The full Council meets at least four times a year and the Executive Committee meets during the intervals. The Council also makes use of committees to deal with special topics of concern to the Council. The Council has a staff of three secretarial personnel.

The mandate of the Council is established by Order in Council and includes the following responsibilities:

To advise the Government of Ontario, through the Provincial Secretary for Social Development, on matters pertaining to the status of women and without limiting the generality of the foregoing:

- (a) to evaluate and monitor existing legislation, policies and programs related to the needs and status of women;
- (b) to identify specific areas requiring the attention of government and to recommend legislation and program changes;
- (c) to consult with groups, hold public meetings and issue position papers outlining alternative policies on specific issues with the purpose of stimulating public discussion; and
- (d) to respond to requests from the Provincial Secretary for Social Development and Ministries for advice and consultation on matters relating to women.

(With the appointment of a Minister Responsible for Women's Issues references to the Provincial Secretary for Social Development may no longer be appropriate.)

The Council's mandate requires that it perform several functions under the broad umbrella of advising the government on matters of interest to women. These functions include evaluating and monitoring existing programs and legislation, identifying specific areas of concern, consulting with women's groups, holding public meetings and issuing position papers. In fulfilling these various functions, the Council has, over the past year, held meetings, presented briefs and consulted with government officials. To carry out these various responsibilities and activities, the Council has been allocated a budget of \$179,000 for the fiscal year of 1982-83.

The Government of Ontario formally adopted a policy of reviewing the operation of all advisory agencies in 1980. To give effect to this policy, the Manual of Administration sets out in some detail the procedure to be followed in the sunset process. The purpose of this provision is to initiate a review by the responsible minister of the advisory agency's functions and operations prior to a defined termination date. The objective of the review is to determine whether the agency should be terminated as declared or allowed to continue for a further period of time. The minister's recommendations are forwarded to Management Board and the Cabinet for final decision.

The Ontario Status of Women Council was reviewed under this sunset provision in March, 1982. The conclusion of the review is as follows:

Although substantial improvement in the position of women in Ontario has occurred and many of the recommendations of the Ontario Status of Women Council acted upon, there is still need for the special advice which the Council can give. The government and members of the public have been well served by this Council and its continued existence would be beneficial to the people of Ontario.

It should be pointed out that the Government has recently introduced new initiatives that have implications for the Status of Women Council. A Minister responsible for Women's Issues has been appointed with a broad mandate to represent women's issues in Cabinet. The Minister will be served by a Women's Directorate that will act as a secretariat to the Minister, providing advice, position papers and evaluations of government initiatives, programs and policies. It is not clear at this stage whether the work of the Women's Directorate will overlap with the activities of the Council.

Recommendations

In reviewing the operation of the Ontario Status of Women Council, the Committee expressed concern with regard to the Council's continuing role as an advisory body to the Government, particularly in light of the fact that a Minister responsible for Women's Issues has been recently appointed and that this Minister

will be served by a secretariat, the Women's Directorate. At the outset of its deliberations, the Committee was concerned that the roles of the Council and the Women's Directorate might overlap and thereby create a redundancy with respect to one of the bodies. The Committee reviewed this matter with the President of the Council and the Executive Director of the Women's Directorate and concludes that no such overlap is likely to occur, and that each body will pursue quite separate roles, the one inside, the other outside, government. Each may deal with the same problems and issues, however, each will deal with the issues from a different perspective. The Committee concludes that the Council should continue as an independent body providing independent advice on women's issues. On the basis of these considerations, the Committee feels that the Council could be strengthened by the implementation of the following recommendations.

Over the last ten years, the Ontario Status of Women Council has operated on a relatively small budget. In fiscal year 1982-83, its budget amounted to less than \$200,000. With this money the Council has to carry out various tasks, including preparing briefs and submissions, conducting research, consulting with women's groups and organizing meetings and conferences. The Council's ability to carry out these tasks is dependent on the funding it receives from the Ontario Government. Some measure of the adequacy of that funding can be gauged if we compare the budgets of the equivalent bodies in Quebec and New Brunswick. In the former case, the annual budget exceeds one million dollars, while in the latter case the budget is over a quarter of a million dollars. Given the size of the other two provinces, Ontario would appear to spend comparatively less on its Status of Women Council. In light of these comparisons, the Committee feels that the Ontario Council should receive additional funding. While it has no specific figure in mind, the Committee does suggest that in calculating the Council's funding, comparisons with other jurisdictions should be borne in mind, as well as the number of Ontario women the Council represents.

Your Committee recommends that:

The Ontario Status of Women Council receive additional funding in order that it may carry out its various tasks and responsibilities.

The Committee is of the opinion that additional resources should be devoted to research. The Council does undertake various research projects from time to time with the assistance of part-time student researchers, however, the Committee understands that such studies are not always conducted as thoroughly as the Council would like. The Committee would like to see the Council continue its research tasks, but on a more permanent basis, by hiring qualified support staff.

Your Committee, therefore, recommends that:

The Status of Women Council devote more of its resources to strengthening its research capacity.

The Committee also feels that the Council could expend greater efforts in consulting with Ontario women by conducting more meetings and conferences and by entering into more frequent dialogue with respect to the matters that are of mutual concern to the Council and the women of Ontario.

Your Committee, therefore, recommends that:

The Ontario Status of Women Council assume a more assertive role in communicating and consulting with the women of Ontario.

In the course of its review, the Committee considered the status of the President of the Council and whether, given the apparent demands made on her time, the position should be made a full-time position with commensurate remuneration. This question raised a number of issues that have implications for heads of other agencies. Consequently, the Committee has decided to study this question of remuneration at a later time. However, with regard to the President of the Council, the Committee feels that the position should be made a full-time position.

Your Committee recommends that:

The position of President of the Ontario Status of Women Council be made a full-time position.

Finally, the Committee wishes to support the recommendation of the Council as of June 1982 that "Women's organizations and other groups should be offered the opportunity to participate in the selection process for appointments to Council." The Committee supports this recommendation on the basis that it is in the interest of the Government and women's groups in Ontario to have the Council represent as wide a spectrum of women's organizations and groups as possible and that this result can best be achieved by a consultative process when appointments to the Council are considered.

Your Committee recommends that:

The Minister responsible for the Council adopt the recommendation that "Women's organizations and other groups should be offered the opportunity to participate in the selection process for appointments to Council".

ONTARIO MANPOWER COMMISSION

Political and economic interest in the development of manpower policies is a relatively new phenomenon and can be traced to the 1950s and 1960s when economists and politicians sought to devise policies for sustained economic growth. It has been recognized, however, that economic growth may be impeded when the economy does not have an adequate supply of skilled labour on which to draw. An economy which does not have such a supply of skilled labour, even when there is unemployment alongside labour shortages, indicates that the labour market is not functioning properly. Theoretically, and in practice, one should expect the matching of jobs and individuals under all economic circumstances. However, as a result of the lack of information, inadequate training, and resistance to mobility, etc., a persistent mismatching of labour and jobs has developed. The results could be very serious for the future growth of the economy.

The role of manpower policy has been described as follows:

The role of manpower policy...is to improve the defective allocative mechanism of labour (and capital) markets. In other words, by providing training, assisted mobility, improved labour-market information, vocational counselling, etc., the government facilitates a better matching of supply to changing labour demand, thereby reducing structural unemployment and other pressures and strains in the market that impede and distort growth.

The emphasis in manpower programs has been on the supply of labour rather than on the demand for labour, though the issue of job creation has increasingly become part of overall manpower planning. On the demand side, however, manpower planning is closely tied with general economic policy as it is affected either by monetary or fiscal policy. Ideally, manpower policy and planning should be closely tied to and integrated with general economic planning. It would be fair to say that manpower policies are more effective when the economy is in an upswing, when demand for labour is high. In addition to the general state of the economy, other factors that are needed to make manpower

policies effective include adequate and timely information on labour market conditions, cooperation among labour, business and government, and a responsive educational system.

The Ontario Manpower Commission was created by Order in Council in 1979. The Commission was given a broad mandate with respect to the development, coordination and implementation of manpower policies in Ontario. In his statement to the Legislature, the then Minister of Labour, Robert Elgie, indicated some of the reasons for the creation of the Commission. Manpower programs, he stated, had been independently administered by several different ministries, such as Education, Community and Social Services, Agriculture and Food, and Industry and Tourism. The problem was that the design and implementation of these programs was not adequately coordinated. As a result, the Minister supported the establishment of a new body, the Manpower Commission. The administration and actual implementation of ministry programs would continue to be the responsibility of the individual ministries.

At the policy level, the Commission would be empowered "to oversee all of the manpower programs and activities of the government and, subject to Cabinet concurrence, to make policy and operational decisions concerning those programs". The new Commission would potentially have very wide executive power and authority.

The Minister envisaged that the Commission would be rooted in the community, mobilizing support and participation. To ensure the widest possible community support, the Minister stated that the Commission would be composed of Commissioners drawn from the business, education and labour fields. The expectation was that the Commission would establish ongoing contacts with interested labour, business and educational groups and organizations which would be asked to promote local participation in training, counselling and placement programs, as well as in the collection and communication of labour market data. This latter function of gathering accurate and timely labour market data and analysis would be an important function of the Commission.

The terms of reference outlined below indicate that the Commission is to function on several levels. The functional divisions will be discussed later; it is enough for now to indicate that the Commission's responsibilities are divided between the Manpower Commissioner and the Manpower Commission. The Commissioner's terms of reference are that:

1. The Manpower Commissioner will oversee all manpower programs (i.e., adult occupational training, counselling, job creation and work experience, labour market information, mobility and placement) with power to make binding policy and operational decisions, subject to Cabinet concurrence;
2. The Manpower Commissioner will report to the Executive Council through the Minister of Labour; and
3. A Manpower Commission, comprised of leaders from the business, labour and educational communities, will be established to replace existing bodies (i.e., the Industrial Training Council, the Ad Hoc Advisory Group on Skills for Jobs), with the Manpower Commissioner as Chairman.

These terms of reference are quite broad in scope and vague in detail. It would appear that the Manpower Commissioner is given the principal responsibility for overseeing the Government's manpower policies, while the other Commissioners are to act in an advisory capacity only.

The role of the Manpower Commissioner under the terms of reference is to perform the following functions:

1. develop and recommend to Cabinet through the Minister of Labour manpower policies for the Province;
2. develop and recommend overall manpower policies to the Cabinet annually, through the Minister of Labour. Such strategies are to be based on the current and projected requirements of the economy and the need of the work force;
3. develop and recommend to the Cabinet annually, through the Minister of Labour, an overall framework for allocating funds to manpower activities;
4. develop in conjunction with ministries and agencies with program responsibility, evaluation methods which will test the compatibility of both current and proposed programs with approved policies, strategies and funding framework and which will monitor the quality of program delivery;
5. review all evaluations of existing programs with the ministry or agency concerned. Propose changes as required and report regularly to Cabinet through the Minister of Labour on program delivery quality;

6. review and provide recommendations on all new programs or revisions to existing programs prior to submission to Policy Field or the Management Board of Cabinet;
7. direct the preparation of provincial manpower positions within interprovincial and federal/provincial relations and, as necessary, represent the Province in this field; and
8. direct the evaluation of federally-sponsored manpower programs operated in the Province in terms of compatibility with provincial policies and strategies and make recommendations as required.

The Commission has recently been expanded to include nine part-time Commissioners and one full-time Chairman. The Commissioners are drawn from a variety of backgrounds in the business, labour and education fields.

The Commission is supported by a staff of thirty-one. Six staff members are part of the main Commission Secretariat and twenty-five are in the Market Research Group.

Although the Commission appears to be designated as an advisory agency, a closer inspection reveals that the Commission performs several functions. The transferring of the Ministry of Labour's Labour Market Information Unit to the Commission gives it a clear research function. This research function in turn supports the Commission's policy mandate to develop manpower strategies for Cabinet. In this area, the Commission, through the Commissioner, acts as a policy secretariat for Cabinet, particularly the Cabinet Committee on Manpower. In addition, the Commission provides manpower policy advice to Cabinet. This advice comes from the Commission acting as an advisory body. The Commission also has executive functions with respect to coordinating policies and programs approved by Cabinet. Finally, the Commission has an administrative role to play with respect to the youth employment program.

A number of conclusions may be drawn with respect to the Commission's role. Given its various functions, it would appear that the Commission acts very much as a central agency in relation to manpower planning. Its executive function stems from the authority it receives directly from Cabinet rather than

from an individual minister, in this case the Minister of Labour. In addition, the Commission functions as a policy secretariat to Cabinet performing a role very much like a central agency. However, there are limitations to this analogy. The composition of the Commission drawn from outside the public service mitigates against the Commission being considered a true central agency since outside participation on central agencies is usually rare. Cabinet does not usually share its authority with individuals drawn from outside government.

In many respects, the Ontario Manpower Commission constitutes a unique entity. It combines research, policy formulation, executive coordination and program administration functions.

In what follows, short descriptions are provided of the Commission's varied activities. The Labour Market Research Group of the Commission has, as one of its responsibilities, the comprehensive forecasting and analysis of labour market trends in Ontario by occupation and industry, as well as the investigation of potential imbalances in occupational labour markets and the identification of critical occupations and skill shortages in Ontario. The Commission has published a number of studies relating to these matters. In addition, the Group has conducted specific manpower studies relating to industrial sectors or occupations and, in general, monitors labour market trends. The Commission also develops short- and medium-term strategies to help alleviate cyclical and structural unemployment and coordinates the development of job creation proposals using federal and provincial programs. Moreover, the Commission is involved in the development of long-term strategies to minimize imbalances in the labour market. In this endeavour, it participates in the implementation of the federally-sponsored National Training Plan and represents Ontario in interprovincial and federal-provincial meetings on manpower issues. The Commission and its staff review the employment needs of various disadvantaged groups, including youth, women, native people and the disabled, and develop employment strategies to facilitate their entry into and mobility in the labour force. Finally, it develops and disseminates an integrated Human Resources Planning system to individual employers.

To carry on these activities, the Commission has been allocated a budget of \$1,887,000 for the fiscal year 1983-84.

With respect to the Commission's organization and relationship with the Cabinet, the Minister of Labour and other ministries with manpower functions, the Commission occupies a unique position, making it a somewhat unusual agency. On the one hand, it has the appearance of a semi-independent agency, yet, in many respects, it appears to function more like a central agency carrying out executive functions. As a central agency, the Commission seeks to ensure that Cabinet-approved manpower policies are implemented by the responsible ministries.

These policies include not only those government policies that are directed principally toward the private sector but also those that can be implemented by the government itself, such as various apprenticeship programs. The Commission seeks to implement government-approved manpower policies by coordinating and implementing such policies with the ministries concerned. In this endeavour, the Commissioner chairs various inter-ministerial committees. While the mandate of the Commission gives it the ultimate authority in the decision-making process, in practice, the Commission must negotiate with the ministries responsible for manpower programs.

With respect to its research role, the Commission is endeavouring to provide timely and accurate information on the functioning of the Ontario labour market. On the available evidence, the Commission's advisory function, as performed by the Commissioners drawn from the fields of business, labour and education, is working well, although this advisory role was only given to the Commission in the Fall of 1982.

Recommendations

The Ontario Manpower Commission is unique in many respects, especially in view of the fact that at the advisory level it is composed of representatives from the business, labour and education fields. The wealth of expertise and experience that can be brought to bear on employment issues by these representatives of various sectors of the Ontario public ensures that government receives the best advice available. The Committee commends the Government for establishing the Commission on this basis, and believes that the composition of the Commission, representing as it does a wide spectrum of the public, should constitute a model for other agencies.

While the Committee is satisfied with the composition of the Commission, the same cannot be said of the Commission's name. In view of the fact that women now constitute a large segment of the labour force, it would be more appropriate for the Commission to adopt a more neutral designation which does not discriminate against one segment of the labour force. The Committee is also of the view that the name, Ontario Manpower Commission, may imply that it functions as a manpower and placement centre, processing job applicants. Given that the Commission's principal overall responsibility is to develop and coordinate the Ontario Government's employment policies and programs, it may be more appropriate that the name of the Commission reflect this responsibility.

Your Committee, therefore, recommends that:

The name of the Ontario Manpower Commission be changed to the Ontario Employment Planning Commission.*

It was pointed out to the Committee that one of the Commission's roles is to coordinate employment policies within the Ontario Government. Given that various employment policies and programs are either the direct responsibility of several ministries or impinge on the policies pursued by other ministries, it is essential that all these programs and policies be so administered as to bring the greatest public benefit. After listening to the testimony presented to it, the

* To avoid confusion the report will refer to the Ontario Employment Planning Commission as "The Commission".

Committee feels that the Commission should adopt a more assertive role with respect to its coordinating function.

Your Committee, therefore, recommends that:

The Commission seek to strengthen its coordinating function to ensure that mandated employment policies and programs are effectively implemented by the appropriate ministries.

Gathering, tabulating, analyzing and publishing relevant labour market information is an important function assigned to the Commission. Relevant and timely information made available to government, business, labour and the public in general is essential for forecasting future labour demands and for making the public aware of future trends that will affect employment in Ontario. The Committee is of the view that the Commission should, as the principal Ontario body providing such information, make every effort to make such information readily available to the interested public. In addition, the Commission has responsibility for evaluating established employment and training programs, whether federal or provincial, as they affect Ontario. Such evaluations are conducted to determine the effectiveness of such programs. The Committee is of the opinion that these studies should be a matter of public record.

Your Committee recommends that:

The Commission establish a policy of making all of its research and program evaluation studies publicly available once they have been completed.

In its deliberations the Committee was made aware that the Commission has initiated a variety of studies dealing, for example, with such matters as the impact of technological change, particularly the impact of microtechnology, and employment opportunities for women. The Committee believes such studies are very important undertakings and encourages the Commission to continue to pursue them. In light of these kinds of studies, the Committee wishes to recommend to the Commission that consideration be given to undertaking

additional studies on the feasibility of permitting those who receive unemployment insurance benefits to enter into apprenticeship programs and on the capacity of Ontario's smaller urban communities to generate skills that would serve as the basis for industrial development. It may be necessary in some instances for the Commission to ask for the cooperation of several ministries in order to complete a particular study, and in this regard it would be the Commission's responsibility to coordinate the efforts of the various ministries.

Your Committee, therefore, recommends that:

The Commission continue to study such matters as the impact of technology on the Ontario labour market, and employment strategies for women, and, that it undertake additional studies with respect to apprenticeship programs for the unemployed and the employment potential of smaller urban communities.

The Committee heard testimony that the various programs which the Commission coordinates in the areas of skills and apprenticeship training are largely directed at the needs of large employers. In the Committee's opinion, small businesses suffer as a result. Moreover, small businesses do not receive specific attention when various levels of government design their training programs. The specific needs of small employers are not given due consideration, nor is sufficient attention paid to how potential employees of small businesses can utilize the programs directed at them. A more innovative approach to these issues should be a high priority of government, particularly when we consider that there are training programs that receive funding but which are underutilized, or programs that do not match people with actual labour market requirements.

Your Committee, therefore, recommends that:

The Commission develop innovative training programs that are specifically directed at the labour requirements of Ontario's small business community.

The Committee also is of the view that a more innovative approach is required with respect to all aspects of employment planning and labour market research. Over the last few years the Ontario economy has been subject to a variety of changes and dislocations, in part reflecting a persistent recessionary cycle, the introduction of new technologies and shifts in international trade and production. New skills are rapidly replacing old skills, placing pressure on both employers and workers to adapt quickly to changing labour requirements. Moreover, the demographics of the Ontario labour force have and will continue to change; thus, we have, on the one hand, an aging population that will result in a large segment of the workforce entering retirement, while, on the other hand, there has been persistent high unemployment among the youth of the province. If the Ontario economy is to sustain itself over the long term and provide job opportunities for its citizens, greater efforts must be expended on designing innovative policies and programs in the areas of job creation, apprenticeship programs, and in training for new skills. In this endeavour the cooperation of employers and workers will be required as well as that of government. The Committee feels that high priority should be given to resolving these problems and that greater resources should be committed to the development and implementation of labour market strategies and programs.

Your Committee recommends that:

The Government of Ontario, through the Commission, commit greater resources to the development and implementation of employment strategies which deal with the structural changes occurring in the Ontario economy.

Finally, the Committee wishes to comment on the Commission's annual report. The Commission now includes in the annual report of the Ministry of Labour a summary of its activities for that fiscal year. It is the Committee's opinion that the Commission should publish its own separate annual report and that that report should contain comprehensive information on all aspects of its activities, including, for example, details of its research reports, its evaluation studies, its efforts in coordinating manpower policies and other matters under its jurisdiction.

Your Committee recommends, therefore, that:

The Commission publish its own separate annual report detailing in a comprehensive manner the activities of the Commission.

ONTARIO CANCER TREATMENT AND RESEARCH FOUNDATION

The Ontario Cancer Treatment and Research Foundation was established in 1943 in response to the recommendations of the Royal Commission on the use of Radium and X-Rays in the treatment of the sick, etc. In its report, issued in 1932, the Commission found that Ontario lagged behind other jurisdictions in the treatment of cancer and in cancer research. Among its recommendations, the Commission sought the creation of research facilities, a cancer institute and the establishment of cancer clinics across the province. These recommendations were incorporated in the Cancer Act which establishes the Foundation, as well as the Ontario Cancer Institute.

As defined by the Cancer Act, the Foundation's objectives are to establish and conduct a program of research, diagnosis and treatment in cancer, including:

- (a) the establishment, maintenance and operation of research, diagnostic and treatment centres in general hospitals or elsewhere;
- (b) the transportation of patients and escorts to its treatment centres or to the hospital of the Institute (Cancer Institute) for diagnosis, treatment or investigation;
- (c) the establishment, maintenance and operation of hostels in connection with its treatment centres or the hospital of the Institute;
- (d) the laboratory and clinical investigation of cancer problems;
- (e) the coordination of facilities for treatment;
- (f) the adequate reporting of cases and the recording and compilation of data;
- (g) the education of the public in the importance of early recognition and treatment;
- (h) the providing of facilities for undergraduate and post-graduate study;
- (i) the training of technical personnel; and
- (j) the providing and awarding of research fellowships.

The Foundation is a corporation consisting of not less than seven (currently 13) members appointed by the Lieutenant Governor in Council. One of the members is appointed chairman while another acts as vice-chairman. The members may be appointed for indefinite terms though current practice normally allows for a three year term. Members can be removed at the pleasure of the Lieutenant Governor in Council.

The Foundation is authorized to employ a director, officers and other staff, as well as consultants. In 1980-81, in addition to the Executive Director and the Secretary-Treasurer, the Foundation employed 62 professional staff, 223 support staff and 264 clerical staff. The vast majority of these individuals were employed by the various regional clinics. There are seven regional clinics -- in Hamilton at the Henderson General Hospital, in Kingston at the Kingston General Hospital, in London at Victoria Hospital, in Ottawa at the Ottawa Civic Hospital and the Ottawa General Hospital, in Thunder Bay at the General Hospital, in Toronto at Sunnybrook Medical Centre, and in Windsor at the Metropolitan General Hospital. Each of these clinics is run by its own staff under the general supervision of the Foundation.

The Foundation's internal decision-making process has been supported by several committees and an Advisory Medical Board, which was terminated under a "sunset" review in 1983 but which has been replaced by a Health Advisory Council appointed by the Foundation.

Mention should also be made of the Foundation's relationship with the Ontario Cancer Institute. Created under the Cancer Act, the Institute is responsible for the maintenance, management and operation of a provincial hospital with facilities for cancer research, diagnosis and treatment. This hospital is now known as the Princess Margaret Hospital in Toronto, occupying the site immediately adjacent to the Wellesley Hospital.

The governing body of the Institute includes five members from the Foundation and the total membership is 15. One of the members representing the Foundation is appointed chairman of the Institute by the Lieutenant Governor in

Council. The Institute is required to submit its annual budgetary estimates in the areas of research and cancer control to the Foundation but negotiates funding for the Princess Margaret Hospital directly with the Ministry of Health.

The Foundation's activities are principally centered on three areas -- treatment, research, and education. With respect to treatment, the Foundation is responsible for a number of regional treatment clinics. Each clinic operates independently, although funding comes from the Foundation by way of the Ministry of Health's funding process which is similar to that for hospitals. Clinics have been established in Hamilton, Kingston, London, Ottawa, Thunder Bay, Toronto and Windsor. The clinic in Toronto (the Toronto-Bayview Clinic attached to Sunnybrook Hospital) was opened in 1982. Toronto also has the services of the Princess Margaret Hospital.

The Foundation's research program consists of support for research personnel, principally career scientists and research associates, support for specific projects through grants-in-aid, and core support for research programs at the Kingston and London Clinics and at the Ontario Cancer Institute. The Foundation cooperates with the National Cancer Institute in the funding of specific projects. In 1981-82, the Foundation spent over \$3.4 million on research.

The Foundation's educational programs include the training of radiation and medical oncologists, as well as technicians, the organization of lectures, seminars and conferences, the awarding of scholarships and bursaries in medicine and medical physics. The Foundation has identified that there is a chronic shortage of oncologists in Ontario and has sought to deal with the problem by approaching medical schools to expand and improve their programs in oncology.

In addition to the above-mentioned activities, the Cancer Act also gives the Foundation responsibility for the transportation of patients and their escorts, and for lay education. Over the years, the responsibility for lay education and transportation of less than 25 miles has been taken over by the Ontario division of the Canadian Cancer Society. Further, the Foundation supports a number of provincial programs including the construction of hostels so that patients may be

managed as outpatients, free drugs for needy patients, and selected diagnostic tests.

A major program of the Foundation is the Ontario Cancer Registry which collects and analyses statistical information on cancer incidence and mortality.

The Cancer Act provides that the Foundation may receive money from any source, though in practice this has meant that the Foundation's principal source of revenue has been the Government of Ontario. Out of total revenue of \$27,526,670 in the fiscal year 1981-82, \$23,725,107 came from the Province. The Foundation receives over \$14 million of that total for cancer treatment purposes. This money goes to the various clinics operated by the Foundation around the province. The Foundation also received over \$9 million in grants from the Ministry of Health, part of which goes towards funding research, operating hostels attached to clinics, other provincial cancer control programs and general administration.

The Foundation has also received a grant of half a million dollars from the Lottery fund for the Ontario Clinical Oncology Group (Clinical Trials Program) as well as a grant in excess of \$3 million for clinical equipment purchases and \$1 million to be identified as the Terry Fox Research Fund (Ontario) for the support of young career scientists in cancer research.

In addition, the Foundation has received and continues to receive donations and legacies, most of which are used for research purposes. Finally, the Ontario Division of the Canadian Cancer Society has constructed, furnished and donated to the Foundation six hostels adjacent to cancer clinics and has provided one third of the cost of construction for new or expanded clinic facilities.

As is the case with other agencies, the Foundation's expenses have risen substantially over the last decade, while government funding has not kept pace with inflation. According to the 1980 Report of the External Evaluation on the research program, the legislative grant for the Foundation in 1980-81 was only 57% of the equivalent vote for 1970-71 in constant dollars. Like other agencies,

the Foundation has sought to rationalize its operations and seek more cost-efficient ways to operate its programs.

Over the last decade, the Foundation has been the subject of two major reviews or role studies. The first one in 1973 was conducted by Kates, Peat, Marwick & Co. and was entitled A Review of Cancer Diagnosis and Treatment Services, Education and Research in Ontario. This was a comprehensive study of all aspects of cancer treatment and research, that included both descriptive and analytical sections on the Foundation, the Ontario Cancer Institute, the regional clinics, Princess Margaret Hospital and other related matters. The Report made a variety of recommendations with respect to all of these institutions. The overall conclusion of the Report was that there was a "need for cancer services, research and education to be more closely integrated with the general medical field. . . ." A large number of these recommendations were implemented by the Foundation, and it has sought to strengthen the ties between the general medical community and those working in the cancer field.

In 1980, an external evaluation was conducted by an independent team of doctors on the research aspects of the Foundation's activities. The report recommended that:

- (a) government consider increasing its funding to the Foundation;
- (b) the Foundation should develop closer liaison with the various Provincial university medical schools, particularly in relation to furthering cancer research;
- (c) the various regional clinics establish closer working relationships;
- (d) the Foundation's Board meet regularly with the Minister of Health and his senior staff to discuss long-range plans including funding;
- (e) the Cancer Registry be made more comprehensive; and
- (f) the Foundation establish regular contacts with the Ontario Medical Association for the purpose of keeping doctors up to date on the Foundation's activities.

The Foundation concurred with the Report's findings and has sought to implement the recommendations. It should be pointed out that the evaluation

team's overall assessment of cancer research in Ontario was laudatory. The Report stated that "Ontario has made a fine contribution to the world in this regard and should be proud of its researchers in cancer."

As is indicated by the two previously mentioned studies, the Foundation, along with the Ontario Cancer Institute, has welcomed periodic assessments of its activities and has sought to implement the recommendations which these studies have suggested. Recognizing the value of such independent studies, the Foundation is presently considering a new study of the Foundation and the Institute. It would concentrate on such topics as the evaluation and delivery of chemotherapy in cancer treatment, the question of establishing a new treatment clinic in the North, the relationship of the Foundation, the Institute and the various District Health Councils, the future direction of cancer research, its funding and organization, the maintenance of a high-quality Ontario Cancer Registry, the overall question of treatment of cancer patients by a more multi-disciplinary approach and finally the problem of shortages of trained radiation oncologists.

Recommendations

In reviewing the activities of the Ontario Cancer Foundation, the Committee learned of the creation of the Cancer Registry, that is a compilation of records with respect to the causes of cancer by diagnosis, age, sex, residence, etc. The Registry uses existing health records linked by computer to establish the data base. However, the project has not as yet been completed. A permanent record of this kind is an invaluable research tool. The Committee believes this to be an extremely valuable project and one that deserves the highest priority.

Your Committee, therefore, recommends that:

The Ontario Cancer Treatment and Research Foundation give the development and completion of the Cancer Registry project its highest priority.

Periodically, the Foundation has been the subject of a role study that seeks to determine the future direction of the Foundation's activities. The Foundation has proposed that a new role study be conducted and that it deal with such matters as the appropriate use of chemotherapy in the control of cancer, given the high costs involved to both government and patients, the further development of the Cancer Registry, the extension of cancer-care services in northern Ontario, the appropriate utilization of expensive treatment technology, methods to improve the quality of life for cancer patients, the incorporation of surgical and pediatric oncologists, as well as dentists, into the regional treatment centres, and the relationship between District Health Councils and the Foundation. The Committee fully supports this role study and endorses the proposed subjects for review. In addition to these subjects, the Committee proposes that the relationship of the Foundation to hospitals, in particular teaching hospitals, and to the Cancer Society be included in the role study.

Your Committee recommends that:

The proposed role study of the Foundation and its activities be undertaken and that the relationships between the Foundation and the Cancer Society and the hospitals, particularly teaching hospitals, be included as part of the study.

In addition, the Committee is strongly of the opinion that there is a need to establish a clinic in northeastern Ontario, given that patients must now either go to Toronto or Thunder Bay.

Your Committee recommends that:

The Foundation seek to establish a cancer clinic in northeastern Ontario at the earliest opportunity.

One of the functions assigned to the Foundation under the Cancer Act is to educate the public with respect to the early recognition and treatment of cancer. While the Committee is of the opinion that this is a worthwhile function of the Foundation, it believes that this educational function should be expanded

and given more emphasis. It is the Committee's view that the Foundation's mandate should be expanded to give it a broader educational role.

Your Committee recommends that:

The Cancer Act be amended to give the Foundation a broad mandate to educate the public with respect to causes of cancer, its prevention and treatment.

Moreover, the Committee strongly feels that children should be the principal targets of any educational campaign. Consequently, the Committee proposes that the Foundation, in conjunction with the Cancer Society, the Ministry of Health and the Ministry of Education, devise a coordinated plan to educate the children of Ontario on the health hazards of smoking.

Therefore, your Committee recommends that:

The Ontario Cancer Treatment and Research Foundation coordinate a continuing educational campaign directed at children at the elementary school level with respect to the health hazards of smoking.

The Committee understands that in Norway a ban has been imposed on cigarette advertising with favourable results as to the consumption of tobacco products by children. The Committee believes that this is an approach that has considerable merit.

THE LAW SOCIETY OF UPPER CANADA

The Law Society Act creates The Law Society of Upper Canada as a self-governing body for the legal profession. The Society was originally established in 1797 in the reign of George III and incorporated in 1822 in the reign of George IV. Over the years, various changes in the Act have been legislated, with the latest major revisions occurring in 1970. In that year, the Law Society Act was amended to reflect the modern conditions under which the legal profession worked. The amendments to the Act sought to retain the traditions of the Society while making the Society more responsive to the public and the members of the Society.

The standards set out by the McRuer Commission on Civil Rights with respect to self-governing professions were incorporated in the revised Act. These standards were based on what the Commission perceived to be the rationale of professional self-government. The Commission stated that:

The granting of self-government is a delegation of legislation and judicial functions and can only be justified as a safeguard to the public interest. The power is not conferred to give or reinforce a professional or occupational status.

To give effect to this proposition, an amendment was adopted in 1973 which provided for the appointment of four lay members as Benchers of the Society. In addition, the Attorney General was designated as the guardian of the public interest with respect to all matters governing the Society.

The Society is constituted as a corporation without share capital and consists of a Treasurer, Under-Treasurer, various officers, the Benchers and the general membership. The Treasurer is the president and head of the Society and is assisted by the Under-Treasurer as the chief operating officer. The Secretary is the chief administrative officer. The Benchers govern the affairs of the Society. There are several types of Benchers; those who are elected, those who are appointed, honorary Benchers and ex officio Benchers. Forty Benchers are

elected every four years, with twenty of these representing the Metropolitan Toronto area and twenty coming from outside Metropolitan Toronto. Two of the four lay Benchers are from Metropolitan Toronto and two are from outside the area. The lay Benchers are appointed by the Lieutenant Governor in Council for four-year terms.

When Benchers meet, in what is called Convocation, ten constitutes a quorum to transact ordinary business and fifteen are required for disciplinary matters.

The Act also provides for an Advisory Council which meets once a year to consider the manner in which the members of the Society are discharging their obligations to the public and other matters relating to the legal profession.

The Act stipulates that only applicants of "good character" shall be admitted to the Society. What constitutes "good character" is left with the Society to determine. However, no applicant may be refused admission if he has met all of the admission requirements. These requirements are detailed in Regulation 573, with the principal requirement being that the applicant be called to the Bar by passing the Bar Admission Course. Where for some reason an applicant is refused admission, he has the opportunity to be heard and may re-apply with new evidence.

The Act provides that honorary members continue to enjoy the rights and privileges as prescribed by the rules, as do honorary life members, if they are Canadian citizens or other British subjects. In addition, members are those who being Canadian citizens or other British subjects were members on the 31st day of December, 1980, or who after that date successfully completed the Bar Admission Course, or those who have transferred from another jurisdiction and have been called to the Bar. Finally, members are those who are students-at-law in the Bar Admission Course as of 31 December 1980 or who became students-at-law after that date. A member or student may resign at any time and later be re-admitted as a member. On the other hand, certain classes or persons have their membership in abeyance. These include judges, masters of the Supreme

Court and taxing officers. Any member who ceases to be a Canadian citizen or British subject automatically ceases to be a member.

Disciplinary action against a member can only be taken if a complaint made under oath has been filed with the Secretary, if the person complained of has received a notice of the time and place of a hearing and if a committee of Convocation has heard evidence on the matter. At a hearing, the person complained of has the right to be represented by counsel and both the complainant and the person complained of have the right to cross-examine witnesses.

The decision taken after a hearing must be in writing and must contain the reasons for the decision. If a member is found guilty of professional misconduct or of conduct unbecoming a barrister or solicitor, Convocation can cancel his membership by disbarring him as a barrister and striking his name off the role of solicitors. It may suspend his rights and privileges for a period to be named or it may reprimand the member or make such other disposition as it considers proper. A member can also have his rights and privileges limited or suspended if he is found to be mentally incompetent or mentally ill or, if after investigation, he is found to be incapable of practicing law as a barrister or solicitor due to age, or physical or mental illness, including addiction to alcohol or drugs. A less severe form of punishment is a reprimand, not from Convocation but from the disciplinary committee. This reprimand can be appealed to the full Convocation whose decision is final. Certain matters decided by Convocation, including disciplinary matters, may be appealed to the Divisional Court. The Court can issue a new decision or refer the matter back to Convocation for further consideration. Where a member's or student member's membership is cancelled or his rights and privileges are suspended, he may re-apply to Convocation for re-instatement.

The Act requires the Society to maintain a Compensation Fund consisting of all moneys paid by members of the Society (annual fees), all moneys earned from investment of moneys in the Fund, all moneys recovered from a person who was given a compensation grant up to the amount of the grant and all moneys contributed by any person. The money in the Fund is designated to be paid as a grant to those individuals who have in some way suffered a loss as a result of dishonesty on the part of any member of the Society.

The Society has the power to make arrangements for its members respecting indemnity for professional liability.

The Act provides that only a member of the Society may act as a barrister and a solicitor or hold himself out as or represent himself to be a barrister or solicitor or practice as a barrister or solicitor. If found guilty, the person may be subject to a fine of not more than \$1,000. Further, the Society can ask the Supreme Court to prevent a person from practicing as a barrister or solicitor.

The Society is authorized under the Act to maintain a Bar Admission Course and programs of continuing education and the Society may grant degrees in law.

While Convocation is the authoritative decision-making body, most of the actual work is done by a variety of special committees. Most matters are first dealt with in one of these committees where the issue at hand is thoroughly discussed before a report is made. Once a committee has made its report, a decision is made on the matter in the full Convocation.

The following are the Society's regular or standing committees:

1. Finance Committee which has the responsibility for preparing the Society's annual budget and for recommending the amount of annual fees required to meet the budget. It is also responsible for payroll matters and pension benefits for the Society's 165 employees and for the Society's lands and buildings.
2. Discipline Committee has the responsibility of reviewing the evidence brought before it with respect to a complaint against a member of the Society. In the future, the Society expects to have this Committee make the decision in a disciplinary matter rather than Convocation.
3. Legal Aid Committee has the responsibility of overseeing the operations of the Legal Aid Plan.
4. Professional Conduct Committee has responsibility for reviewing the conduct of lawyers in specific circumstances and for making suggestions as to how the members should proceed.

5. Legal Education Committee is responsible for making suggestions with respect to improving the delivery of legal education, both in the area of continuing legal education and in the Bar Admission Course.
6. Public Information Committee is responsible for developing better ways of communicating with the public and the members.
7. Practice and Insurance Committee is responsible for overseeing the Society's Errors and Omissions insurance program for claims against individual lawyers.
8. Unauthorized Practice Committee hears complaints with respect to possible contraventions of section 50 of the Law Society Act.
9. Admissions Committee has responsibility for recommending admission of those persons who have transferred from other jurisdictions or of law school teachers, etc.
10. Libraries and Reporting Committee oversees the publication of the Society's publications and the operation of the Society's library and the distribution of funds to local law associations.
11. Compensation Fund Committee oversees claims made by the public against lawyers and has discretion to award grants.
12. Legislation and Rules Committee has responsibility for reviewing the Law Society Act and the regulations.

To give effect to the fact that the Society is the regulating body of the legal profession, the Act gives the Society the authority to make its own rules without the approval of the Lieutenant Governor in Council with respect to the internal administration of the Society.

In addition to this rule-making authority, Convocation may also make regulations with the approval of the Lieutenant Governor in Council. Such regulations relate to such matters as membership, record keeping, the code of professional conduct, legal education, creation of local law associations and other related matters.

Legal Aid Plan

Under the Legal Aid Act, the Law Society is given general responsibility for administering the Legal Aid Plan. While Convocation retains ultimate authority in this regard, the Society has established the Legal Aid Committee, along with several sub-committees, to supervise the operation of the Plan and to make policy decisions. The Legal Aid Committee is composed of thirty-two members and is divided into sixteen sub-committees as follows:

- . Management Committee
- . Steering Committee
- . Joint Committee
- . Special Standing Committee on Legal Accounts
- . Amendments to Regulations and Forms
- . Group Applications and Granting of Certificates for Test Cases
- . Salaried Duty Counsel
- . Public Information
- . Statistics
- . Area Directors' Retainers
- . Staff Salaries
- . Judges' Complaints
- . Financial Eligibility of Legal Aid Applicants
- . Computerization of the Legal Aid Tariff
- . Use of Paralegals
- . Review of Services of Handicapped
- . Disclosure of Information

While the Law Society is made responsible for the general administration of the Plan, it is the Director of Legal Aid who supervises the Plan's day-to-day operations. He is assisted by a Controller and a Legal Accounts Officer. The former is responsible for all accounting and financial procedures of the Plan, for directing the clerical staff and for maintaining and analyzing all relevant information relating to the operation of the Plan. The latter officer is responsible for settling lawyers' accounts.

There are 47 directors corresponding to the 47 legal aid areas established under the Plan. Each area director is responsible for maintaining an area legal aid office and for establishing and maintaining the duty counsel and legal aid panels for his area. The panels contain a list of lawyers from which applicants can select the lawyer of their choice.

The following is a short summary of how the Plan works.

1. Applicant fills out Form 2 under O.Reg. 575, asking for a Legal Aid Certificate.
2. Applicant is sent to area director.
3. Area director asks for a financial assessment of applicant from assessment officer (if sum required is over \$60).
4. Assessment officer investigates financial ability of applicant to pay and makes a determination as to whether the applicant can pay all, part or none of his legal costs.
5. (a) Area director must then determine whether the applicant is appearing in a proceeding before the Supreme Court, a county, district or surrogate court, whether the applicant is charged with an indictable offence or whether the application is made for a sentence of preventive detention under Part XXI of the Criminal Code under the Extradition Act or the Fugitive Offenders Act, or in the Federal Court of Canada. If the applicant is appearing in any proceeding as described, then the applicant must be issued a certificate (subject to his financial status as determined in (4)).
- (b) If, on the other hand, the applicant is appearing in any summary conviction proceeding under an Act of the Parliament of Canada, or in any proceeding under the Provincial Offences Act and where upon conviction the applicant is likely to be imprisoned or lose his means of earning a livelihood, or in any proceeding in a Provincial Court (Family Division), in a small claims court, before a quasi-judicial or administrative board or commission (except in an appeal), in a bankruptcy case, or for contempt of court, or with respect to the applicant's need to have documents drawn, negotiate settlements or obtain legal advice, then with respect to the applicant's requirements in the above circumstances the area director is given discretion to issue a certificate, notwithstanding the fact that the applicant cannot pay his legal costs as determined under (4).
- (c) Finally, the area director may issue a certificate subject to the approval of the area Legal Aid Committee where the applicant is

appealing a matter before the Supreme Court of Canada, Federal Court of Canada, Court of Appeal for Ontario, Divisional Court, a judge sitting in court, under Part XXIV of the Criminal Code or the Provincial Offences Act, or before the Assessment Review Court or by way of appeal to a judge of a county or district court or by way of appeal from the decision of the judge to the Ontario Municipal Board, or with respect to a quasi-judicial or administrative board or commission, or in a proceeding by way of mandamus, quo warranto, certiorari, motion to quash, habeas corpus or prohibition, or in any matter referred to by an area director to the area Committee. Under this section, if the applicant has not been granted a certificate (irrespective of his financial status) he may appeal the decision to the Director of the Legal Aid Plan.

6. In making a decision, the area director, the area committee or the Director cannot issue a certificate if the matter relates directly or indirectly to a proceeding with respect to defamation, or loss of service of a female in consequence of rape, in relator actions, in proceedings for the recovery of a penalty where the proceedings may be taken by any person and the penalty in whole or in part may be payable to the person instituting the proceedings, or in proceedings relating to any election.
7. Once the area director has made the above determinations and has received the assessment report he may issue a certificate. The only exception is where the area director has determined that the applicant requires a certificate immediately. In such a case he can issue a provisional certificate without an assessment report.
8. In issuing a certificate, the area director can impose any terms and conditions he deems proper and can cancel any certificate issued by him.
9. If the area director has refused to issue a certificate or has cancelled a certificate, the applicant can appeal to the area Legal Aid Committee and further to the Director.
10. Ordinarily the above-described procedure is the usual method by which a certificate can be issued to an applicant. One other method exists under the Act. In a criminal appeal before the Supreme Court of Canada or the Court of Appeal of Ontario, either court can ask that a certificate be issued to the applicant or the respondent. Once the Director has satisfied himself that the applicant or respondent cannot pay for counsel, the Director can issue a certificate.
11. The applicant on receiving his certificate may then select the lawyer of his choice from a panel of lawyers established by each area committee.

The Law Society is required to maintain a Legal Aid Fund comprising money appropriated by the Legislature, money payable by the Law Foundation, all costs awarded to recipients of legal aid and all contributions made by

recipients of legal aid who are required to pay any part of it. In 1981-82, the total cost of the Plan was \$56.2 million, with the Province contributing \$40 million and the Federal Government contributing \$10 million with respect to legal aid for matters involving the criminal law. From the Law Foundation, the Fund received \$11.6 million (this represents 75% of the interest accumulated in Lawyers' Trust Accounts). Clients contributed \$2.4 million, while client recoveries in civil matters came to \$1.6 million.

In 1981-82, total administrative expenses amounted to \$8.5 million. The Plan paid out \$37.5 million in Legal Aid fees and disbursements, and funding for Community Clinics was \$5.4 million.

In the last several years, new programs have been introduced to strengthen the Plan in its delivery of services to the public. A Criminal Law Research Facility was created to provide legal research for lawyers acting on the behalf of legal aid clients. The Facility provides written memoranda of law specifically relating to the facts of each individual case. Another program is the Mentor program which provides advice and assistance to junior lawyers by experienced senior counsel.

In addition to the legal aid services which permit applicants to choose a lawyer on the basis of fee-for-service, the Plan also provides for the establishment of legal aid clinics. As of June, 1982, there were 41 community legal aid clinics across the Province, with 21 in and around Toronto. These clinics are independently run, providing legal or paralegal services, or both, on a basis other than fee-for-service. They are funded through the Legal Aid Plan as provided under the regulations. O.Reg. 575 provides for the administration of clinic funding by establishing a Clinic Funding Committee whose function it is to determine all aspects of clinic funding, including establishing policy and guidelines, reviewing and making recommendations to the Director in respect of applications for clinic funding and acting as an appeal body. Before any clinic is funded, it must meet certain minimum standards established under the regulations. The clinic must have a board of directors, employ at least one lawyer and employ personnel trained to an approved standard established by the

the Clinic Funding Committee. The community clinics provide both summary advice and assistance and case service in the areas of welfare law, unemployment insurance, landlord and tenant matters and workers' compensation.

The following procedures govern the manner in which legal aid clinics are funded. An application is initially made to the Director of Legal Aid who refers the application to the staff of the program. The staff make a preliminary decision as to whether the clinic should be funded. The matter can then go before the Clinic Funding Committee. At each stage, the Committee may hold a hearing but the Committee must make a recommendation to the Director in respect of every application. A recommendation of the Committee cannot be appealed. However, if the Committee has recommended the issuance of a clinic certificate (i.e. has agreed to fund the clinic) the Director must seek the approval of Convocation before issuing the certificate. All certificates are subject to conditions which must be met and are only valid for one year. The Committee may ask the Director at any time to revoke the clinic certificate if the clinic has contravened the conditions of the certificate.

Recommendations

The Law Society of Upper Canada, the governing body of the law profession in Ontario, has been given a mandate by the Legislative Assembly of Ontario to govern in the public interest, principally to ensure that the services provided by lawyers are of the highest standards. The Committee believes that the Society has sought to achieve this objective. The members of the Committee, however, wish to point out that their perception of the public's attitude toward the legal profession and the legal system is at variance with the Society's efforts to ensure the highest standards of service. Despite the Society's efforts, the public image of the legal profession and the legal system appears to be somewhat tarnished. As the former Treasurer of the Law Society has commented:

Discipline matters are on the rise. Day after day the media reports of monies taken or of counsel they discern to be acting improperly. Cementing an already cynical perception of the practice of law, a

few judges repetitiously create headlines critical of counsel's court demeanour or style of advocacy. Some of this, of course, is perhaps deserving, but it is disconcerting nevertheless and certainly it is not helpful to the profession's image which most lawyers so sensibly strive to keep at a high level.

The general impression left with the public is that the legal profession is not serving the public interest. It is in this context that the Committee presents the following remarks and recommendations, which it believes will help the Society fulfill its mandate.

The first point the Committee wishes to raise is the matter of the Society's public image. The Committee is of the opinion that the Society would greatly benefit from an education campaign in which the public is informed of the Society's functions, its purposes and objectives and in what ways the Society can be of help to the public.

One area where the Society could improve relations with the public is with respect to its public complaints procedure. The Committee's distinct impression is that the process by which the public can complain about a particular lawyer is not well publicized. For example, the telephone directory for Metropolitan Toronto does not list in the White Pages under the Law Society the number that can be used to contact the Society with a complaint. Similarly, the Yellow Pages under the section devoted to listing various lawyers does not give a number which can be called to lodge a complaint, although various other numbers such as for Dial-a-Law, Lawyer Referral and Legal Aid are listed.

Your Committee recommends that:

The Law Society of Upper Canada give consideration to better informing the public as to the Society's complaint procedures.

Further to the Society's public complaint procedures, the Committee understands that the Society has sought to improve the way in which public complaints are received and handled, and commends the Society for its efforts in this regard. A public complaints office has been established to receive

complaints and to deal informally with disputes between a complainant and the particular lawyer involved. The Committee believes that such mediation is an important function of the public complaints office since it provides for a mechanism to resolve disputes in an expeditious manner and to the satisfaction of all concerned.

Your Committee recommends that:

The Law Society consider ways to strengthen the mediation role of the public complaints office.

Another area of concern to the Committee is the public perception of the Law Society as a body that tends to protect the legal profession. The Law Society does not believe that such an image is an accurate reflection of the work it does in protecting the public interest. While the Committee concurs with the Law Society's assessment of its role, it is, nevertheless, disturbed by the perception of the public that the Society tends to favour its members over the public. It is with this concern in mind, namely the discrepancy between what the Society actually does and what the public perceives the Society to be doing, that the Committee proposes that consideration be given to increasing the number of lay Benchers that are appointed by the Lieutenant Governor in Council. At present there are four lay Benchers out of a total of forty-four Benchers. Were additional lay Benchers to be appointed, they could serve on the Society's policy committees where they could have input from a lay-person's perspective. More important, perhaps, the Committee feels that additional lay Benchers could usefully serve on the Society's Discipline Committee. The Committee believes that in disciplinary matters the Society should reflect the public interest as well as the interests of the legal profession.

Your Committee, therefore, recommends that:

The Law Society Act be amended to provide for the appointment of additional lay Benchers.

The Committee also wishes to comment on the manner in which Benchers are elected. The Law Society Act provides for the election of forty Benchers by all of the members of the Society across the province. Of these forty Benchers, twenty come from Metropolitan Toronto and twenty from the rest of the province. Given that Benchers are elected to represent all the members of the Society, the present practice appears to be unrepresentative of certain areas of the province, some members being represented by Benchers who live several hundred miles away and who are unknown to the local Bar. In effect, the present system does not recognize the need for representation by regions. The Committee believes that consideration should be given to a new system of electing Benchers. This new system would create regional districts or areas based on the size of the population from which a certain number of Benchers would be elected by the members in that regional area. This system would ensure that elected Benchers would more closely represent the members of the Society for that region.

Your Committee recommends that:

The Law Society Act be amended to provide for the regional election of Benchers to the Law Society.

At this point, the Committee wishes to comment with respect to who is given the right to vote in Convocation and in committee. The Committee is strongly of the opinion that only those Benchers who have been duly elected by the members of the Society and those persons appointed as lay Benchers should be given the right to vote.

The issue of advertising lawyers' fees has in the last few years become prominent inside and outside the profession. The Committee appreciates that there are good arguments for and against the practice. The Committee does not want to enter the debate at this time. However, it does want to point out that any ban on the advertising of fees should not preclude lawyers from informing their clients at the outset of their first visit what the likely cost of providing a particular service will be. Such a procedure should be automatic for all lawyers. The Committee understands that this procedure is not universally employed.

Your Committee, therefore, recommends that:

The Law Society of Upper Canada should require all lawyers to discuss their fees with their clients when a client first consults a lawyer.

Further to the matter of fees, the Committee would like to express its opposition to the use of contingent fees which is an arrangement whereby a lawyer will take on a case for a percentage of the money a court may award if the case is won. The Committee supports the Law Society's Rules of Professional Conduct in this regard when it states that:

A lawyer should not, except as by law expressly sanctioned, acquire by purchase or otherwise any interest in the subject matter of litigation being conducted by him. It is improper for him to enter into an arrangement with his client for a contingent fee except in accordance with the provisions of the Solicitors Act.

The Committee also considered the way in which the Legal Aid Plan operates and makes the following recommendations and suggestions. With respect to the question of the legal aid fee schedule, the Committee concludes that the fee schedule no longer adequately compensates those lawyers who work under the Plan. The last major increase in fees was in 1979. In 1982, the Society requested an increase of 30%. The Government, however, announced that the fee schedule would be raised only by 5% on 1 July 1982, with a further 5% on 1 July 1983.

In the words of the former Treasurer of the Law Society:

This news was a great disappointment to your governing body since it is realized that it is the practising members of the Bar who act for legally-aided clients who are carrying the unfair share of the financial burden in maintaining the Plan's integrity in these hard times.

The lack of a substantial increase in fees has meant that those lawyers who practice under the Plan have had to absorb a very substantial amount of rising overhead costs and inflation. Moreover, it is appropriate to note that between

1967, when the Plan was introduced, and 1981, the average weekly wage rose by some 350%, the Consumer Price Index by 225%, while legal aid fees rose by 150%.

Your Committee, therefore, recommends that:

The Attorney General provide additional funds to enable the legal aid fee schedule to be raised to levels that adequately compensate lawyers who practice under the Legal Aid Plan.

Another aspect of the fee schedule which interests the Committee is the time limitations that are prescribed for various services. In other words, not only are lawyers restricted as to how much they can charge for a given service but also how much time they can allot in rendering the service. While the Committee appreciates that this limitation was designed to inhibit the use of excessive time by a lawyer when providing a service, and thereby overcharging the Plan, it believes that too restrictive a time limitation has been incorporated in the present tariff schedule. Ideally, the Committee would like to see the present system of time limits combined with a discretionary element in the Plan which would permit lawyers to be paid when they go over the specified time limits, where such extensions of service were clearly warranted. At the very least, the Committee believes that the maximum time limits should be reviewed and revised.

Your Committee recommends that:

The Law Society in conjunction with the Attorney General review the time limits established in the fee schedule with a view to raising them and making them more flexible.

Another matter relating to the fee schedule is the requirement under the Legal Aid Act for lawyers who are retained under the Plan to make a contribution of 25% of their fees to the Plan. In other words, the amount of money which a lawyer is entitled to under the Plan is reduced by 25%. The Committee believes that this practice is inequitable given that the fee schedule is set too low and that, by and large, younger lawyers with less established

practices are the principal users of the Plan, and that lawyers who do not practice within the Plan make no contribution to the Plan. Moreover, this practice may discourage lawyers from serving legal aid clients. On the other hand, the Committee appreciates the fact that lawyers who practice within the Plan have assured payment and are not subject to the vagaries of delinquent clients. The Committee concludes, nevertheless, that although a deduction may be justified under the circumstances such a deduction should not be as inequitable as is the case now.

Your Committee recommends that:

The Legal Aid Act be amended to lower the percentage contribution deducted from legal aid schedule fees paid to lawyers practicing under the Plan.

Another area of concern to the Committee is the time taken to process a lawyer's claim for remuneration under the Plan. The Committee understands that at present the time period for settling such claims is too long, creating difficulties and hardships for those lawyers who regularly practice under the Plan. The Committee suggests that interim payments be made to those lawyers who regularly practice under the Plan.

Your Committee, therefore, recommends that:

The Law Society consider ways to speed the processing of legal aid lawyers' claims for remuneration and give consideration to making interim payments.

Under the Legal Aid Act, the area director is given wide discretion with respect to the issuance of a certificate for legal aid. The area director can attach any conditions to the certificate that appear appropriate, including any time limits on services rendered. It is conceivable that the conditions imposed by the area director can be such that the lawyer acting in the case can be severely restricted as to the manner in which he handles the case. Under these circumstances, the client may perceive that he is not being treated equitably and that his legal position has been disadvantaged. The Committee does not want to

suggest that area directors regularly exercise their discretion in this fashion. However the Committee understands that this practice does take place. Under the circumstances, the Committee is of the opinion that consideration should be given to making the conditions attached to a certificate appealable in the same way that a refusal by an area director to issue a certificate is appealable.

Your Committee, therefore, recommends that:

The Attorney General and the Law Society amend section 16(7) of the Legal Aid Act so that the conditions attached to a certificate issued by an area director are appealable.

Moreover, when an area director, in exercising his discretion, either cancels the certificate or alters the conditions attached to the certificate, it is the Committee's view that these decisions should not take effect until the applicant has been informed and given seven days to appeal the decision, and the original certificate would remain in effect, until the appeal has been disposed of by the area committee.

Your Committee recommends that:

The Legal Aid Act be amended to provide that when an area director has cancelled or altered the conditions of a certificate, the applicant be given seven days to appeal the decision and that for that time the original certificate be in effect, or until the appeal has been disposed of by the area committee.

Further to the appeal procedures provided for in the Legal Aid Act, the Committee is advised that the present procedure permits either the lawyer in the case or the applicant to appeal to an area committee if the area director has refused a certificate or has cancelled a certificate and, further, that an area director can appeal to the Director of Legal Aid from a decision of the area committee allowing the appeal. In practice this procedure prevents legal aid applicants from appealing a refusal of the area director and the area committee for a certificate to the Director of Legal Aid, although the area director can appeal an area committee decision. The Committee views this procedure as inequitable with respect to the applicant. What is permitted of the area director should also be permitted of the applicant.

Your Committee recommends that:

Section 16(10) of the Legal Aid Act be amended to permit the applicant the same rights of appeal as the area director.

At this point the Committee wishes to note that there are instances when a refusal of legal aid may have implications that go beyond the immediate circumstances of a particular application. Thus, for example, a recently-arrived immigrant, accused of a crime, may be subject to deportation were he convicted of the crime. The Committee feels that such circumstances should be taken into account when area director's exercise their discretion.

The Committee also wishes to raise the question of whether it would be more appropriate for appeals to go to the Legal Aid Committee of the Law Society rather than to the Director of Legal Aid. The reasoning behind this suggestion is that the Committee has already recommended that there be an increase in the number of lay persons serving as Benchers and that these additional lay Benchers would therefore serve on the Legal Aid Committee. The Committee believes that the composition of the Legal Aid Committee should include a larger proportion of non-lawyers in order that other perspectives and views be heard within the Law Society's decision-making process. Such other perspectives are particularly important where appeals are considered.

Your Committee, therefore, recommends that:

Section 16(10) of the Legal Aid Act be amended to permit appeals to lie with the Legal Aid Committee rather than the Director of Legal Aid.

Another aspect of the appeal procedure that is of interest to the Committee involves the rights of the applicant in the appeal process. The Committee is concerned that when an applicant appears before an area committee with respect to an appeal he be in a position to fully argue his case. In order to do that, the applicant should be able to cross-examine the area director who turned down his application and see the file prepared by the area director. Only with such rights can the applicant be in a position to know all of the facts brought against his application and present his case in response.

Your Committee recommends that:

Applicants, when appealing a decision of the area director under section 16(10) of the Legal Aid Act, have the right to see the file compiled by the area director and have the right to cross-examine the area director.

The Committee reviewed the Annual Report of the Legal Aid Plan for 1982 and observed significant variations in the number of appeals among the various regions of the province. The Committee was left with the impression that such variations may suggest that in some regions the appeal procedures are not well known among the public or that there may be administrative or other reasons for the variations. The Committee is of the opinion that the Law Society should study such variations in order to ascertain their cause.

Your Committee recommends that:

The Law Society undertake a study of the causes of the statistical variations in the number of appeals among regions of the Province.

It has come to the attention of the Committee that area committees, whose responsibility it is to hear appeals, are largely composed of lawyers. While the Committee recognizes the need for lawyers, given their particular expertise to serve on such area committees, it does question whether the proportion should be as high as it appears to be on a review of the composition of the area committees. As stated in another context, it is important that in serving the public in general, and applicants in particular, the decision-making process should reflect not only the perspective of the legal profession but also other views in society. On this basis, the Committee is of the opinion that area committees should include a higher proportion of lay members.

Your Committee recommends that:

The Law Society appoint more lay members to area committees.

It has been a general principle accepted by our society that people should be able to obtain legal counsel irrespective of their economic circumstances.

The Legal Aid Plan is founded on this principle. The Committee supports this principle and in so doing draws attention to the fact that there are areas of the province that are underserved by lawyers. For various reasons people in remote areas of the province have great difficulty in getting access to lawyers to handle their individual cases. Recognizing this fact, the Committee raises the possibility of establishing travelling clinics that would travel a prescribed circuit on set days to deal with the problems of those in remote areas. Similarly, the Committee proposes travelling duty counsel in remote areas.

Your Committee, therefore, recommends that:

The Law Society study the feasibility of establishing travelling clinics and duty counsel for remote areas of the Province that are underserved by the legal profession.

CRIMINAL INJURIES COMPENSATION BOARD

The Board is constituted under the Compensation for Victims of Crime Act, 1971, which re-enacts the Law Enforcement Act passed in 1967. Under the latter Act, compensation was provided in respect of injuries sustained or death occasioned as a result of assisting a peace officer in making an arrest or preserving the peace. Compensation was also provided for death or injury resulting from an offence against a law of Canada or Ontario.

In 1971, with the enactment of the Compensation for Victims of Crime Act, reference to offences against provincial statutes was deleted. This change was, in part, the result of the Federal Government's interest in this field and its willingness to provide some of the moneys for provincial compensation schemes provided that the provincial statutes contained certain provisions. As will be shown later, the provisions established by the Federal Government were incorporated in the Ontario Act.

The basic philosophy behind the legislation was summarized in the Third Report of the Board as follows:

- (a) The failure of the state to ensure the safety of its citizens (admittedly, the same reasoning extends to victims of fraud and loss of property due to criminal acts, but the cost would be astronomical); and
- (b) A sense of responsibility which a humane society feels for victims of crime. We live in an era when society recognizes many new obligations. A somewhat analogous recognition in Ontario and other jurisdictions is the compensation paid by the province or state under an unsatisfied judgement fund for persons injured or killed through the negligence of car drivers. Unless the state assumes the responsibility, the victim of crime usually will not be compensated. Generally speaking, it is the poor who commit crimes of violence and it is the poor who are the victims of crime. There is a growing acceptance throughout the Western and English-speaking world that those who are injured, and the spouses and dependents of those who are killed, by crimes of violence, ought to be compensated.

The Board is a corporation to which the Corporations Act does not apply. It is composed of no fewer than five members who are appointed by the

Lieutenant Governor in Council. One member is appointed as chairman with one or more vice-chairmen. The chairman is given authority to supervise and direct the affairs of the Board and has responsibility for arranging the sittings of the Board and assigning members to conduct hearings. The chairman may delegate his powers to a vice-chairman when he is absent or unable to act. The staff of the Board numbers thirteen, including a Registrar, a Chief of Investigation and three investigators as well as a clerical and secretarial staff of eight.

The Board incurs two types of expenditures -- the payment of money for compensation ordered by the Board, and administrative costs. Money for these items is appropriated by the Legislature and appears in the Estimates of the Ministry of the Attorney General. For the fiscal year 1981-82, the Board's total administrative expenses came to \$624,775.

The Board receives an estimated sum, plus any supplementaries, from the Ministry of the Attorney General for payment of compensatory awards. Under the Memorandum of Agreement with the Government of Canada, the Attorney General submits a statement each year at the end of May signed by the Provincial Auditor certifying the amount of compensation paid. The Attorney General for Canada then reimburses the Attorney General for Ontario according to a formula prescribed by the Agreement. Under the present agreement, the Federal contribution consists of 50% of awards (net of any recoveries) to a maximum of ten cents per capita of the population of Ontario. In the year 1979-80, the Federal contribution was \$849,980.00 and the total of the awards for that year was \$2,170,688.91. In the year 1980-81, the Federal contribution was \$857,040.00 and the total of the awards for that year was \$2,434,343.92. In the year 1981-82, the Federal contribution was \$862,510.70, and the total of the awards for that year was \$2,780,496.74.

Under the Act, the following classes of persons are eligible to receive compensation: victims of violent crime, a person who is responsible for the maintenance of the victim, and, where the victim has died, the victim's dependents or the person who was looking after the victim before his death, or the person who has incurred an expense on behalf of a victim with respect to medical expenses or the maintenance of a child born as a result of rape.

The above-mentioned three classes of persons can apply for compensation if the following conditions are met:

- (a) Where a person is injured or killed as a result of the commission of a crime of violence which is an offence against the Criminal Code of Canada. This includes poisoning, arson, criminal negligence and an offence under section 84 of the Criminal Code. It does not include, however, an offence involving the use of operation of a motor vehicle except where such a vehicle has been used to assault a person.
- (b) Where a person is injured or killed as a result of lawfully arresting or attempting to arrest an offender or suspected offender or as a result of assisting a peace officer.
- (c) Where a person is injured or killed as a result of preventing or attempting to prevent the commission of an offence or suspected offence.

"Injury" in this context means actual bodily harm and includes pregnancy and mental or nervous shock.

The applicant must apply for compensation within one year of the injury or death. However, under special circumstances the Board may consider the application after one year.

The procedures involved in processing a claim may be summarized as follows:

- (a) After the claimant has become aware of the possibility that he may be eligible for compensation, and after inquiry is made to the Board, the claimant is provided with a "Guide to Applicants" along with an application form. The Board then awaits medical reports, receipts and any other material to support the claim.
- (b) The investigators obtain the police report with respect to the particular incident and assemble all case file information, conduct required investigations and ascertain the disposition of charges against alleged offenders.
- (c) The Registrar schedules a hearing and notifies the claimant, and the alleged offender of the date of the hearing according to the provisions of the Act.

Once an application is received by the Board, the chairman is required to refer that application to a panel of one or more members of the Board. A time and place for a hearing is then set and the applicant, the Attorney General and the offender are notified at least ten days in advance of the hearing.

All hearings are public except where a hearing would be prejudicial to the trial of the person who has committed the offence or where a public hearing would not be in the interests of the victim or of the victim's dependents where such person is a victim of a sexual offence. The Board may also order that there be no publication of any report or account of the evidence.

The Board, whether sitting as a panel of one or two members, must initially determine that the conditions of eligibility have been met; that is, that a crime of violence has been committed. Conclusive evidence that an offence has been committed is established where a person has been convicted of a criminal offence and the appeal process has been exhausted. However, the Board may award compensation whether or not a person has been prosecuted or convicted of an offence. The Board establishes that a crime has been committed on the balance of probabilities and requires a lower standard of proof than in a court of law. Notwithstanding that a person is for any reason legally incapable of forming criminal intent, he shall be considered to have intended an act of omission that caused injury or death for which the Board might pay compensation.

In determining compensation, the Board is required to take into account all relevant circumstances, including any behaviour by the victim that may have directly or indirectly contributed to his injury or death. Furthermore, the Board has the discretion to take into account the victim's cooperation with the police or his failure to notify promptly the police of the offence.

Under the Act, six categories of compensable items are listed. They are:

1. Expenses actually and reasonably incurred or to be incurred as a result of the victim's injury or death.
 - Medical, hospital and funeral expenses are compensable, subject to any benefit, compensation or indemnity payable to the applicant or to the victim.

2. Pecuniary loss incurred by the victim as a result of total or partial disability affecting the victim's capacity to work.
 - Under this heading, the Board accepts the gross pay as the base and then subtracts those deductions which do not represent any savings or credit accumulated for the employee, such as unemployment insurance and income tax.
3. Pecuniary loss incurred by dependents as a result of the victim's death.
 - Under this heading, the Board determines, for example, the monies which the husband, if he lived, would have brought home for the benefit of his wife and children and then subtracts the widow's present income which comes about as a result of the victim's death.
4. Pain and suffering.
 - Although the Board compensates for this non-pecuniary damage, unlike the court at common law, the Board does not give consideration for the loss of expectation of life or the loss of the amenities of life, unless the applicant qualifies under section 7(2) of the Act.
 - This heading, it is fair to say, is the most difficult to assess and it requires the Board to use good judgement and discretion, particularly if the applicant is claiming compensation for mental and nervous shock.
5. Maintenance of a child born as a result of rape.
6. Other pecuniary losses, resulting from the victim's injury and any expenses which, in the opinion of the Board, it is reasonable to incur.
 - Under this heading, the Board permits the cost of obtaining evidence such as medical reports and, in some cases, transcripts of evidence and other related costs.

However, the Board is required, in assessing pecuniary loss, to consider any benefit, compensation or indemnity that the applicant will receive from any other source.

Under most circumstances, the Board issues an order for payment of compensation after the hearing. However, in a situation where the Board is of the opinion that an award would be made, a provision exists whereby the Board is

given the discretion to order interim payments where the applicant is found to be in real financial need. Such interim payments are for maintenance and medical expenses. Once such interim payments have been awarded, the Board cannot recover the amount if it denies compensation after a hearing.

When the Board has decided to award compensation, it has the discretion to make periodic payments or a lump sum payment. The awards cannot exceed \$15,000 in case of a lump sum or \$500 per month if made periodically. The Board is also given discretion to award both lump sum payments and periodic payments, in which case the lump sum cannot exceed half of the maximum amount (\$7,500). The total amount awarded by the Board to be paid to all applicants in respect of any one occurrence shall not exceed \$100,000 in the case of lump sum payment, and \$175,000 in the case of periodic payments.

Under the Act, the Board has the discretion to determine the conditions under which payment of compensation will be made as that payment relates to disposition, allotment or apportionment of the compensation or as it relates to the holding of the compensation or any portion of it in trust for the victim or the dependents where the person is under eighteen or in the opinion of the Board is of unsound mind. The amount payable to such a person may be ordered paid to his parent, spouse or committee, to the Public Trustee or some other person, or in a way the Board believes to be in the best interests of the victim. In practice, the Board, except in unusual circumstances, orders such payments to be paid to the Public Trustee, or the Chief Accountant of the Supreme Court of Ontario, in trust for the victim.

The money paid as compensation may not be subject to garnishment, attachment, execution, set-off or any other legal process.

Strictly speaking, the Act provides one avenue of appeal. Section 23 provides that an appeal may be made to the Divisional Court from any decision of the Board on any question of law; that is, whether the Board has interpreted the Act correctly, in particular those parts of section 17(1) where the Board in making its decision must have regard for all relevant circumstances.

In addition to this formal appeal process, the Board is also given statutory power to review its own decisions. In the first instance, the Board, consisting of two members, can review a decision made by a single member who heard the original application. This procedure appears to be somewhat anomalous in that no similar review is permitted to an applicant who has had a hearing by two Board members. Secondly, the Board on its own initiative or on the application of the victim, any dependent, the Attorney-General or an offender may review an order for payment of compensation. In conducting this review, the Board must consider any new evidence, any change in circumstances since the original order was made, and any other matter the Board considers relevant. The procedures under this review process must be the same as if the review was an original application.

The Board is given the power to prohibit the publication of any report or account of the evidence given at a public hearing. However, in making this decision the Board is required to consider the public interest involved in informing the public as to the principles and nature of each case. If someone publishes evidence contrary to the Board's order, such person is guilty of an offence and on conviction is liable to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year. The exception is where a corporation is convicted of publishing evidence. In this case, the maximum penalty is \$25,000.

Under the Act, the Board is given power to subrogate all the rights of the person to whom payment is made and to recover damages by civil proceedings. In other words, the Board can claim the victim's right to sue the offender for damages. Any amount recovered by the Board must be applied in the first instance to paying the costs of taking such action and then to reimbursing the Board for the value of the compensation awarded.

Recommendations

Criminal injuries compensation boards are a relatively new phenomenon in Canada. Most have been in existence not much longer than a decade and have operated within the scope of existing legislation. In the last few years, a debate has been initiated as to the adequacy of present institutions, methods and procedures in the treatment of victims of crime. A thorough analysis of these issues together with recommendations was recently prepared by the Federal-Provincial Task Force on Justice for Victims of Crime. The Task Force concluded that the justice system in Canada with its present practices tended to "neglect the needs and concerns of victims of crime". The recommendations of this Federal-Provincial Task Force will undoubtedly be studied by the appropriate Ontario authorities, the Attorney General, the Solicitor General and the Provincial Secretary for Justice. It is in the context of such a review that the Committee believes that a review of the Compensation for Victims of Crime Act be conducted and that such a review deal with all aspects of the Act, including such matters as the criteria for eligibility, maximum payments, the criteria for receiving compensation under the head of pain and suffering and other such related matters. In addition to supporting the review of the above matters, the Committee concurs in principle with recommendations of the Task Force with respect to the following matters:

- (a) An examination of the humanitarian vs. insurance methods of operating and funding Crime Compensation programmes should be undertaken by a Federal/Provincial working group and a full exploration of the costs/benefits of the New Zealand programme should be incorporated into that examination.
- (b) There should be an increase in the amount of funding provided by federal and provincial bodies to the programmes, since in general the awards only go a modest way to providing full compensation for the losses suffered.
- (c) In all jurisdictions where maximum limits on awards are imposed, the calculation of loss should follow the procedures of firstly, determining the loss; secondly, deducting any collateral benefits, excepting welfare payments; and thirdly, subjecting the amount to maximum limit.
- (d) In all jurisdictions where maximum limits on awards are imposed, those limits should be reviewed regularly to ensure that they keep pace with the cost of living.

- (e) A campaign should be launched in each jurisdiction to acquaint citizens as fully as possible with the existence of Criminal Injury Compensation Boards and their purpose. The police should be required to provide victims of crime with information on the existence and purpose of the Boards. Hospitals and other institutions and agencies should be urged to support the police in doing so.
- (f) Further efforts should be made to achieve reciprocity between Canadian and other jurisdictions which operate criminal injuries compensation schemes, with particular reference to the U.S.A.
- (g) Jurisdictions which presently do not encourage and/or welcome the personal attendance of applicants of crime compensation hearings should be requested to re-examine their practice in the light of the experienced benefits for victims of such hearings.

The Federal-Provincial Task Force report raises a number of important issues, one of which the Committee believes is the question of whether crime compensation schemes should be funded on an insurance basis as is the case, for example, with workers' compensation boards. The Committee feels that such an approach would be more equitable in that awards would more accurately reflect actual loss as a result of criminal injuries. The Committee, however, believes that because these issues are highly technical in nature it cannot at this time make any specific recommendations. It does feel, however, that these issues are of considerable importance, as suggested by the Task Force report, and should be the focus of a special reference by the Ontario Legislature.

Your Committee, therefore, recommends that:

The Legislative Assembly of Ontario refer the recommendations of the Federal-Provincial Task Force on Justice for Victims of Crime, as they relate to the criminal injuries compensation scheme in Ontario, to a standing or select committee.

In one area in particular, the Committee believes immediate action should be taken. This is the matter of the existing limitation on awards which have not been changed since the Act was passed some twelve years ago. Given the general rise in the cost of living and inflation, the existing limitations on the maximum that can be awarded should be raised as quickly as possible. In addition to raising the overall limits on awards, the Committee expects that the Board will also raise the level of individual awards to reflect more accurately the real cost of injuries.

Your Committee, therefore, recommends that:

The Attorney General in cooperation with the Criminal Injuries Compensation Board amend the Compensation for Victims of Crime Act with the objective of raising the limits on awards.

In line with the above recommendation, the Committee believes that the Federal Government's contribution to the funding of the Board's awards should also be raised.

Your Committee recommends that:

The Attorney General enter into discussions with the Federal Government with respect to increasing the Federal Government's contribution to the funding of the Board's awards.

Another issue which the Committee is of the opinion should be part of the overall review of the Act is the question of whether police officers should be compensated by some other method rather than by the Criminal Injuries Compensation Board. There is a difference in the Committee's view between police officers who are victims of crime and members of the public. The possibility that a police officer may be subject to crimes of violence is an integral part of their daily work environment. It is a risk that is taken on joining the police force. This is not to suggest that a police officer is less deserving of compensation, or that he or she should receive no compensation. Rather, it is to suggest that the criteria for awarding compensation should probably be different with respect to police officers. It may be appropriate to include in this category those employed as security guards.

Your Committee recommends that:

The Attorney General study the possibility of devising a separate compensation fund for police officers who are victims of crime as well as those employed as security guards.

Another concern of the Committee is with respect to awards given to recipients of welfare. The Ministry of Community and Social Services has an

established policy that requires those who both receive welfare payments and any other payments, such as awards made by the Board, to have their welfare payments reduced by the amount of the award. Awards are considered by the Ministry to be income which is added to the welfare recipient's financial statement. The difficulty with this arrangement is that a welfare recipient who is a victim of crime is no better off than if he received only his or her welfare payment. The Committee views this arrangement as inequitable and proposes that this anomaly be rectified.

Your Committee recommends, therefore, that:

The Criminal Injuries Compensation Board, with the assistance of the Attorney General, negotiate with the Ministry of Community and Social Services a more equitable arrangement which does not result in the reduction of a victim's welfare payments.

The Committee also wishes to deal with a number of informational problems with respect to the Board. In a society as complex as ours, with people from various cultural backgrounds dispersed over wide areas of the province and having varying degrees of sophistication as to the operation of government, it is important that an agency such as the Criminal Injuries Compensation Board, with a specific role in the justice system, be well understood by the general public. This is particularly the case where those who are most disadvantaged in our society are concerned and who are more often than not the principle victims of crime. The Committee feels that it is incumbent on the Board to make its activities known as broadly as possible.

One area where further improvement can be made is in the education of police officers with respect to the existence of the Board and its role in providing compensation. Police officers are usually the first to investigate a crime of violence and have the best opportunity to inform a victim of crime that he or she can apply for an award from the Board. The Committee believes that police officers have a particular obligation to inform the public of the criminal injuries compensation scheme.

Your Committee recommends that:

The Criminal Injuries Compensation Board ask the Ontario Police Commission to provide courses and information to police officers on the role of the Board and the means by which applications may be made for compensation.

Further to this point, it is the view of the Committee that the Board should strengthen its informational role in general by publicizing the work of the Board and specifically by enlisting the cooperation of chiefs of police, local police authorities, doctors and hospitals in publicizing its work. In addition, information about the Board should be made available at such places as police stations, rape crisis centres, constituency offices and other appropriate places.

Your Committee recommends that:

The Criminal Injuries Compensation Board strengthen the public's awareness of the Board and its function of compensating victims of violent crime.

Finally, the Committee believes the Board's Annual Report can be improved. The Board's present policy of providing a long list of individual cases leaves little room for describing the particulars of the case, the lack of which may lead to misinterpretations as to why one person was given an award and another not and, in general, leads to the perception that there are discrepancies between awards. The Committee feels that a more informative approach would be for the Board to give more detail with respect to those cases that are of particular interest. Specific categories of cases could be developed by the Board that reflect, for example, the particular types of crimes that have been committed and for which the Board is entitled to make an award.

Your Committee, therefore, recommends that:

The Criminal Injuries Compensation Board develop a new format in presenting summaries of individual cases in its Annual Report.

III MINISTERIAL RESPONSES TO THE 6th REPORT

It has been the practice of the Committee to follow up on its recommendations by asking those ministers responsible for the particular agency reviewed by the Committee to respond to its recommendations. In the 6th Report the Committee reviewed the following agencies:

Wolf Damage Assessment Board
 Art Gallery of Ontario
 Civil Service Commission
 Commission on Election Contributions and Expenses
 Ontario Land Corporation.

To date, the Committee has received responses from the Civil Service Commission and the Commission on Election Contributions and Expenses.

The Committee recommendations with respect to the Civil Service Commission were reviewed by the Chairman of Management Board who responded as follows:

Recommendation

The Civil Service Commission establish clear and uniform guidelines with respect to section 11(a), (b) and (c) of the Public Service Act.

Recommendation

The Civil Service Commission publicize its guidelines with respect to Government employee participation in municipal elections and that it act in an advisory capacity with respect to inquiries from employees contemplating entry into municipal politics.

Recommendation

The Civil Service Commission create a mechanism by which appeals as to the interpretation of section 11(a), (b) and (c) of the Public Service Act can be decided expeditiously.

The Chairman of Management Board responded to these recommendations by stating that:

...the question of guidelines on political activity has been considered on a number of occasions in the past. While it has been possible to set out the general philosophy behind these sections of the Act, it was found that the circumstances surrounding political activity vary so widely that it would not be possible to draw up guidelines which would have any general application. It was deemed preferable, therefore, to treat each situation according to its own particular circumstances and merits.

The Civil Service Commission does act in an advisory capacity to ministries and to employees with respect to inquiries on political activity but it may be this fact is not sufficiently well known. Therefore, the Commission will act on your recommendation and ensure that employees are made aware that questions concerning political activity can be directed to the Executive Director of the Staff Relations Division of the Civil Service Commission. They will also be advised that any disputed cases may be referred to the Chairman of the Civil Service Commission.

The Civil Service Commission will also establish a policy whereby ministries will be reminded of the provisions of the Public Service Act concerning political activity before each federal, provincial or municipal election.

Recommendation

The Civil Service Commission initiate, along with the Management Board of Cabinet, a special review of the status of long-term, part-time employees with a view to including such employees in the appropriate bargaining units.

The Chairman responded by saying that:

There may be some misunderstanding of the union's submission to the Committee with respect to such employees because the vast majority

of such employees are in the bargaining unit and are covered by the collective agreement between the Management Board of Cabinet and OPSEU. The union's major concerns are that such employees do not contribute to the Public Service Superannuation Plan and the union is not able to negotiate job security for seasonal or part-time employees.

I am pleased to advise that a review of the status of seasonal and part-time employees is underway. Although this is a complex problem, we are moving to resolve the issue as soon as practical.

Recommendation

The Commission conduct a study of the unclassified employees who work on contract, to ascertain their numbers and determine whether the use of such contract employees is cost-efficient and operationally efficient.

In reponse, the Chairman of Management Board stated that:

The Civil Service Commission is responsible for developing staffing and pay policies for unclassified contract employees but is not responsible for determining the cost-efficiency of the use of such employees.

Ministries are responsible for maintaining cost-efficient operations within the overall manpower and financial resources allocated by Management Board of Cabinet. Management Board will continue to hold ministries accountable for results achieved with the resources allocated. It is the responsibility of the ministry to balance the use of regular and unclassified staff to achieve results.

The Commission on Election Contributions and Expenses is an agency of the Legislative Assembly of Ontario and there is therefore no responsible minister. The Assembly itself is responsible for the Commission and any revision of the Act. In a letter to the Committee dated 2 December 1983, the Chairman of the Commission indicated that there is no agreement to date among the three parties as to when amendments to the Election Finances Reform Act will be introduced.

IV SUMMARY OF RECOMMENDATIONS

- The Ontario Status of Women Council receive additional funding in order that it may carry out its various tasks and responsibilities. (page 6)
- The Status of Women Council devote more of its resources to strengthening its research capacity. (page 7)
- The Ontario Status of Women Council assume a more assertive role in communicating and consulting with the women of Ontario. (page 7)
- The position of President of the Ontario Status of Women Council be made a full-time position. (page 7)
- The Minister responsible for the Council adopt the recommendation that "Women's organizations and other groups should be offered the opportunity to participate in the selection process for appointments to Council". (page 8)
- The name of the Ontario Manpower Commission be changed to the Ontario Employment Planning Commission. (page 15)
- The Commission seek to strengthen its coordinating function to ensure that mandated employment policies and programs are effectively implemented by the appropriate ministries. (page 16)
- The Commission establish a policy of making all of its research and program evaluation studies publicly available once they have been completed. (page 16)
- The Commission continue to study such matters as the impact of technology on the Ontario labour market, and employment strategies for women, and, that it undertake additional studies with respect to apprenticeship programs for the unemployed and the employment potential of smaller urban communities. (page 17)

- The Commission develop innovative training programs that are specifically directed at the labour requirements of Ontario's small business community. (page 17)
- The Government of Ontario, through the Commission, commit greater resources to the development and implementation of employment strategies which deal with the structural changes occurring in the Ontario economy. (page 18)
- The Commission publish its own separate annual report detailing in a comprehensive manner the activities of the Commission. (page 19)
- The Ontario Cancer Treatment and Research Foundation give the development and completion of the Cancer Registry project its highest priority. (page 25)
- The proposed role study of the Foundation and its activities be undertaken and that the relationships between the Foundation and the Cancer Society and the hospitals, particularly teaching hospitals, be included as part of the study. (page 26)
- The Foundation seek to establish a cancer clinic in northeastern Ontario at the earliest opportunity. (page 26)
- The Cancer Act be amended to give the Foundation a broad mandate to educate the public with respect to the causes of cancer, its prevention and treatment. (page 27)
- The Ontario Cancer Treatment and Research Foundation coordinate a continuing educational campaign directed at children at the elementary school level with respect to the health hazards of smoking. (page 27)
- The Law Society of Upper Canada give consideration to better informing the public as to the Society's complaint procedures. (page 38)

- The Law Society consider ways to strengthen the mediation role of the public complaints office. (page 39)
- The Law Society Act be amended to provide for the appointment of additional lay Benchers. (page 39)
- The Law Society Act be amended to provide for the regional election of Benchers to the Law Society. (page 40)
- The Law Society of Upper Canada should require all lawyers to discuss their fees with their clients when a client first consults a lawyer. (page 41)
- The Attorney General provide additional funds to enable the legal aid fee schedule to be raised to levels that adequately compensate lawyers who practice under the Legal Aid Plan. (page 42)
- The Law Society in conjunction with the Attorney General review the time limits established in the fee schedule with a view to raising them and making them more flexible. (page 42)
- The Legal Aid Act be amended to lower the percentage contribution deducted from legal aid schedule fees paid to lawyers practicing under the Plan. (page 43)
- The Law Society consider ways to speed the processing of legal aid lawyers' claims for remuneration and give consideration to making interim payments. (page 43)
- The Attorney General and the Law Society amend section 16(7) of the Legal Aid Act so that the conditions attached to a certificate issued by an area director are appealable. (page 44)
- The Legal Aid Act be amended to provide that when an area director has cancelled or altered the conditions of a certificate, the applicant be given seven days to appeal the decision and that for that time the original certificate be in effect, or until the appeal has been disposed of by the area committee. (page 44)

- Section 16(10) of the Legal Aid Act be amended to permit the applicant the same rights of appeal as the area director. (page 45)
- Section 16(10) of the Legal Aid Act be amended to permit appeals to lie with the Legal Aid Committee rather than the Director of Legal Aid. (page 45)
- Applicants, when appealing a decision of the area director under section 16(10) of the Legal Aid Act, have the right to see the file compiled by the area director and have the right to cross-examine the area director. (page 46)
- The Law Society undertake a study of the causes of the statistical variations in the number of appeals among regions of the Province. (page 46)
- The Law Society appoint more lay members to area committees. (page 46)
- The Law Society study the feasibility of establishing travelling clinics and duty counsel for remote areas of the Province that are underserved by the legal profession. (page 47)
- The Legislative Assembly of Ontario refer the recommendations of the Federal-Provincial Task Force on Justice for Victims of Crime, as they relate to the criminal injuries compensation scheme in Ontario, to a standing or select committee. (page 56)
- The Attorney General in cooperation with the Criminal Injuries Compensation Board amend the Compensation for Victims of Crime Act with the objective of raising the limits on awards. (page 57)
- The Attorney General enter into discussions with the Federal Government with respect to increasing the Federal Government's contribution to the funding of the Board's awards. (page 57)

- The Attorney General study the possibility of devising a separate compensation fund for police officers who are victims of crime as well as those employed as security guards. (page 57)
- The Criminal Injuries Compensation Board, with the assistance of the Attorney General, negotiate with the Ministry of Community and Social Services a more equitable arrangement which does not result in the reduction of a victim's welfare payments. (page 58)
- The Criminal Injuries Compensation Board ask the Ontario Police Commission to provide courses and information to police officers on the role of the Board and the means by which applications may be made for compensation. (page 59)
- The Criminal Injuries Compensation Board strengthen the public's awareness of the Board and its function of compensating victims of violent crime. (page 59)
- The Criminal Injuries Compensation Board develop a new format in presenting summaries of individual cases in its Annual Report. (page 59)

APPENDIX A

TERMS OF REFERENCE

Journals, Friday, 24 April 1981, pp. 19-20

On motion by Mr. Wells, seconded by Mr. Gregory,

Ordered, That the following Standing Committees be established for this Session, with power to examine and inquire into all such matters as may be referred to them by the House, with power to send for persons, papers and things, as provided in section 35 of the Legislative Assembly Act:— ...Standing Committee on Procedural Affairs -- 12 Members... (with 7 from the Government Party, 3 from the Official Opposition and 2 from the Third Party)... appointed for this Parliament to review and report to the House its observations and opinions on the operation of the Standing Orders of the House, and such additional matters as may be referred to it by the House or by Mr. Speaker from time to time, and that the Committee also have power to review the operation of all Agencies, Boards and Commissions to which the Lieutenant Governor in Council makes some or all of the appointments, and all corporations in which the Crown in right of Ontario is a majority Shareholder, such reviews to be made with a view to reducing possible redundancy and overlapping; and the Committee may not meet during Summer adjournments or during intervals between Sessions without authorization from the Assembly.

APPENDIX B

WITNESSES

Ontario Status of Women Council - Monday, 12 September 1983

Sally Barnes
President
Ontario Status of Women Council

Celia Kavanagh
Executive Officer
Ontario Status of Women Council

Kay Toye
Member
Ontario Status of Women Council

Ontario Status of Women Council - Thursday, 17 November 1983

Sally Barnes
President
Ontario Status of Women Council

Glenna Carr
Executive Director
Women's Directorate

Ontario Manpower Commission - Tuesday, 13 September 1983

Dr. Alan D. Wolfson
Chairman
Ontario Manpower Commission

Barry Rose
Executive Co-ordinator
Ontario Manpower Commission

Ontario Cancer Treatment and Research Foundation - Wednesday, 14 September 1983

Michael A. Meighen, Q.C.
Chairman
Ontario Cancer Treatment and Research Foundation

Dr. J.W. Meakin
Executive Director
Ontario Cancer Treatment and Research Foundation

**Ontario Cancer Treatment and Research Foundation -
Wednesday, 14 September 1983 (continued)**

Dr. E.A. Clarke
Head, Division of Epidemiology and Biostatistics
Ontario Cancer Treatment and Research Foundation

Dr. W.M. Hryniuk
Director
Hamilton Clinic
Ontario Cancer Treatment and Research Foundation

Dr. J.H. Maus
Director
Windsor Clinic
Ontario Cancer Treatment and Research Foundation

R.D. Grey
Secretary-Treasurer
Ontario Cancer Treatment and Research Foundation

The Law Society of Upper Canada - Thursday, 15 September 1983

Laura Legge, Q.C.
Treasurer
The Law Society of Upper Canada

Rendall Dick, Q.C.
Under-Treasurer
The Law Society of Upper Canada

Hugh Guthrie, Q.C.
Bencher
The Law Society of Upper Canada

Jack Ground, Q.C.
Chairman, Legal Education Committee
The Law Society of Upper Canada

Kenneth Jarvis, Q.C.
Secretary
The Law Society of Upper Canada

Criminal Injuries Compensation Board - Friday, 16 September 1983

Allan Grossman
Chairman
Criminal Injuries Compensation Board

Vincent Giuffre
Registrar
Criminal Injuries Compensation Board

Patricia Hoole
Secretary to the Chairman
Criminal Injuries Compensation Board

APPENDIX C

AGENCIES, BOARDS AND COMMISSIONS REVIEWED TO DATE

1st Review:	Waste Management Advisory Board Pesticides Advisory Committee Ontario Food Council Agricultural Research Institute Alcoholism and Drug Addiction Research Foundation Ontario Institute for Studies in Education Education Relations Commission Farm Machinery Board Land Compensation Board Milk Commission of Ontario Cream Producers' Marketing Board St. Lawrence Parks Commission Ontario Council for the Arts Ontario Heritage Foundation
2nd Review:	Ontario Research Foundation Ontario Telephone Service Commission Ontario Housing Corporation Ontario Food Terminal Ontario Council of Health Ontario Municipal Board
3rd Review:	Ontario Educational Communications Authority Ontario Lottery Corporation Board of Ophthalmic Dispensers Ontario Labour Relations Board Ontario Northland Transportation Liquor Control Board of Ontario
4th Review:	Ontario Racing Commission Ontario Hockey Development Committee Farm Pollution Advisory Committee Ontario Place Corporation
5th Review:	Ontario Board of Censors Ontario Energy Board Ontario Police Commission Toronto Area Transit Operating Authority
6th Review:	Art Gallery of Ontario Civil Service Commission Commission on Election Contributions and Expenses Ontario Mortgage Corporation Wolf Damage Assessment Board
7th Review:	Criminal Injuries Compensation Board The Law Society of Upper Canada Ontario Cancer Treatment and Research Foundation Ontario Manpower Commission Ontario Status of Women Council



LEGISLATIVE ASSEMBLY
ASSEMBLÉE LÉGISLATIVE

The Honourable John M. Turner, M.P.P.
Speaker of the Legislative Assembly.

Sir,

Your Standing Committee on Procedural Affairs has the honour to present its
Report and commends it to the House.

A handwritten signature in dark ink, appearing to read "R. Treleaven".

Richard L. Treleaven, Q.C., M.P.P.
Chairman

Queen's Park
21 June 1984

MEMBERSHIP OF THE STANDING COMMITTEE
ON PROCEDURAL AFFAIRS

RICHARD L. TRELEAVEN, Q.C.
Chairman

ANDY WATSON
Vice-Chairman

MICHAEL BREAUGH
MICHAEL CASSIDY
SAM L. CUREATZ, Q.C.
HUGH EDIGHOFFER
HERBERT A. EPP

MORLEY KELLS
REMO MANCINI
RONALD K. McNEIL
DAVID ROTENBERG
NOBLE VILLENEUVE



A. SMIRLE FORSYTH
Clerk of the Committee

JAMES STESKY
Assistant to the Clerk

JOHN EICHMANIS
Research Officer

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I. INTRODUCTION

The Legislative Assembly of Ontario has assigned to the Standing Committee on Procedural Affairs the task of reviewing the operations of the agencies, boards and commissions of the Government of Ontario.¹ In fulfilling its mandate, the Committee held public hearings during February, 1984, and heard testimony from representatives of the following agencies:

Alcoholism and Drug Addiction Research Foundation
Board of Funeral Services
Board of Visitors of Homewood Sanitarium, Guelph
Crop Insurance Commission of Ontario
Game and Fish Hearing Board
IDEA Corporation
Nursing Homes Review Board
Ontario Board of Parole
Social Assistance Review Board.

This report contains your Committee's observations and recommendations based on its review of these agencies, boards and commissions. In September, 1984, the Committee will review the operation of the following agencies, boards and commissions:

Animal Care Review Board
Children's Services Review Board
Niagara Parks Commission
Niagara Falls Bridge Commission
Ontario International Corporation
Ontario Junior Farmer Establishment Loan Corporation.

Members of the Committee wish to express their appreciation to all of the witnesses who appeared to present their views.² The Committee also expresses its appreciation for the cooperation of the officials of the various ministries of the Government of Ontario and the agencies themselves. In addition, the Committee urges Ministers under whom these agencies fall to give serious and thoughtful consideration to the Committee's recommendations.

¹See Appendix A for the Committee's terms of reference.

²See Appendix B for a list of witnesses who appeared before the Committee.

The Committee also wishes to acknowledge the assistance and dedication of the Clerk of the Committee and the Research Officer to the work of the Committee.

The recommendations contained in this report represent a consensus of opinion rather than complete agreement on every issue that was before the Committee. While each member of the Committee may not agree with every recommendation, your Committee is pleased to present a report that each member can support.

II. AGENCY REVIEW

BOARD OF VISITORS OF HOMEWOOD SANITARIUM, GUELPH

Under the Private Sanitaria Act all privately run sanitarium are required to be licenced before they can legally operate in the Province of Ontario. The Act also provides that all private sanitarium be under the supervision and inspection of a Board of Visitors. The Homewood Sanitarium in Guelph was licenced in 1883 by Order in Council.

Before turning our attention to the Board of Visitors, a brief review of the Private Sanitaria Act will be made in order to place the Board within its statutory framework. The Act can be viewed as regulating the establishment of private sanitarium and their operations. Sanitarium is defined as being an institution for the care and treatment of mental and nervous illnesses. In order to operate in Ontario such institutions are required to be licenced. Such a licence can be obtained by applying to the Minister of Health. No specific criteria have to be met in order to obtain a licence, though an application must detail certain information relating to the particular characteristics of the institution. Discretion lies with the Lieutenant Governor in Council as to whether a proprietor will or will not be issued a licence; moreover, the Lieutenant Governor in Council can impose conditions, qualifications or restrictions that are deemed appropriate, including restrictions as to the class or sex of patients or the type of treatment. A licence continues until it is revoked by the Lieutenant Governor in Council.

The Act further establishes a Board of Visitors for each sanitarium with supervisory and inspection functions. In general terms, the Board ensures that patients are properly cared for and that certain prescribed rules are obeyed. The Act also places certain obligations and restrictions on the proprietor and the superintendent of the sanitarium to ensure that patients are treated properly, and that they are admitted and discharged according to the provisions in the Act.

The Board is composed of the senior judge, or, in his absence or disqualification, a judge of the county or district court, the crown attorney and the sheriff of the county or district in which the sanitarium is located. In addition, the Lieutenant Governor in Council appoints two medical practitioners, who hold office for three years. The judge is made Chairman and the crown attorney the Secretary of the Board. The Act stipulates that no member of the Board can have either a direct or indirect interest in a sanitarium, and if after his appointment, the member does acquire such interest he must cease to act as a member of the Board. At the same time, a medical practitioner who is a member of the Board cannot sign a certificate admitting a patient or attend a patient unless authorized to do so.

The remuneration of Board members is \$50 per visit, though the Chairman, being a County Court Judge, receives no remuneration.

The Act requires that every sanitarium be visited and inspected by at least two members of the Board, one of whom will be a medical practitioner, and that such visits occur four times each year. Their duties are as follows:

- (1) The visitors, when visiting a sanitarium, shall inspect every part of it and every house, outhouse, place and building communicating with it or detached from it, but not separated by ground belonging to another person, and every part of the ground and appurtenances held, used or occupied therewith, and shall see every patient then detained therein, and shall inquire whether any patient is under restraint and why, and shall inspect the order and certificates or certificate for the reception and detention of every patient who has been received into the sanitarium since the last visit, and shall enter in the visitors' book a minute as to:
 - (a) the then condition of the sanitarium, its furniture, furnishings and surroundings;
 - (b) the appearance of the patients, particularly noting if there are any marks of violence;
 - (c) the condition of the beds and bedding;
 - (d) whether the dietary is suitable and the food service satisfactory;

- (e) whether the staff is sufficient;
- (f) the number of patients under restraint or in seclusion with the reasons stated therefor;
- (g) any irregularity in the order or certificate;
- (h) whether the previous suggestions, if any, of the visitors have been attended to; and
- (i) any matter as to whether they or he consider it proper to make observations.

Moreover, the Board is obliged to inquire as to the following matters:

- (a) whether divine service is held therein, for what number of patients, and the effect thereof;
- (b) what occupations or amusements are provided for the patients, and the result thereof;
- (c) whether there has been adopted any system of non-restraint and if so the result thereof;
- (d) as to the classification of patients;
- (e) whether there is any patient who should be discharged;
- (f) whether the building, its furniture and furnishings are suitable;
- (g) whether the nurses engaged in caring for the patients are properly trained for the work in which they are engaged, and how many trained graduate nurses are employed; and
- (h) as to any matter as to which is proper to inquire in order to ascertain whether the sanitarium is properly conducted.

To ensure that the inspection is complete and thorough, the Act stipulates the responsibilities of the proprietor or superintendent:

The proprietor or superintendent shall show to the Visitors every part of the sanitarium and every person detained therein as a patient.

Upon every visit, there shall be laid before the Visitors by the proprietor or superintendent,

- (a) a list of all the patients then in the sanitarium, distinguishing males and females, and specifying such as are considered curable;
- (b) the books and records required to be kept by the proprietor or superintendent and by a medical attendant;
- (c) all requisitions and certificates relating to patients admitted since the last visit;
- (d) the licence then in force; and
- (e) all such requisitions, certificates, documents and papers relating to any of the patients at any time received into the sanitarium as the visitors from time to time require to be produced.

When the Board is summoned by the Secretary to meet in order to visit a sanitarium, the Act requires that the planned visit be kept confidential in such a manner that no proprietor, superintendent, or any person employed or involved with the sanitarium shall know of the planned visit. Any two or more members can visit a sanitarium at any time of day or night. In fulfilling this mandate, any two members of the Board have the power to summon witnesses and to require them to testify under oath.

Under the Act, either the Secretary of the Board of Visitors or the Board is required to be notified under various circumstances. Thus, when a proprietor replaces the superintendent of the sanitarium, notice of this change has to be given to the Board. When a person voluntarily seeks admission to the sanitarium, the superintendent must give notice to the Secretary of the Board, and one or more members of the Board are required to visit that patient immediately to confirm the voluntary nature of the admission. Where a patient has been admitted on the basis of requisition and medical certificates, copies of these documents must be immediately forwarded to the Secretary of the Board. The Secretary must also be notified when a patient escapes from a sanitarium and when he is returned to the sanitarium. When a patient is removed or discharged from a sanitarium or dies in a sanitarium, the Secretary of the Board is required to be notified within two days, and in the case of death, the Secretary must also be furnished with a copy of the death certificate.

The Board is also given various powers of direction under the Act. Thus, it can direct that a medical practitioner visit a sanitarium with fewer than fifty patients and no medical practitioner on staff. Where there are fewer than eleven patients the Board can permit the sanitarium to be visited by a doctor once or twice a week. The Board can also require the superintendent to transmit to the Board copies of the entries made in the clinical record, that is the record which is made of the state of a patient's mental and physical condition.

Two or more members of the Board, including a doctor, can have a patient discharged where they determine after two visits that a patient is being detained without sufficient cause. This power to discharge, however, does not extend to patients who have been admitted by order of the Lieutenant Governor or by order of any criminal court.

The Board can direct the Secretary of the Board to provide information to an inquirer as to the location of a patient, whether he is still in a sanitarium or has been charged. Any member of the Board can authorize the visitation of a friend or relative to a patient. To refuse such a direction is an offence under the Act.

Where a patient has been entrusted to the care of his friends, but has a relapse within six months he can be returned to the sanitarium on the basis of a warrant signed by a doctor and one of the members of the Board. With the consent of any two members of the Board, the superintendent can take a patient on an excursion for his health.

Any two members of the Board can issue summonses to require the attendance of any person as a witness in a matter relating to the responsibilities of the Board.

The Board of Visitors is designated as a regulatory agency within Schedule IV in Management Board's classification system. This means that the Board is independent of the Ministry and does not have to abide by the administrative regulations set out in the Manual of Administration.

Recommendations

In reviewing the Board of Visitors of Homewood Sanitarium, Guelph, the Committee observed that the Board is constituted under the Private Sanitaria Act first enacted in 1913 and continuing to this day in its original form. The absence of any revisions to the Act has meant that in many respects the Act is now outdated. Thus, the Committee draws attention to the fact that under the Act, the Board is to consist of a senior judge of a county or district court, the crown attorney, the sheriff, and two medical practitioners. While it may have been appropriate in 1913 to name these individuals to the Board, it is questionable whether that is now the case, particularly in light of the fact that the potential exists for these officers of the court to be placed in a position of conflict of interest. Under the Act they are required to make inspections of the Sanitarium four times a year. The visits are conducted to inquire as to the status of patients and the conditions under which they are treated. A patient, or his or her relative, could conceivably bring an action against the Sanitarium that would be heard by the same county judge and prosecuted by the same crown attorney that visited the Sanitarium.

In making their visits, the Board is asked among other things to visit each patient. While in 1913 this was physically possible when Homewood Sanitarium had only a few beds, in 1984 this is no longer the case when the Sanitarium has 312 beds. To extend the time over which visits could be made in order to visit every patient would invariably mean that the judge, the crown attorney and the sheriff would have to forego their more pressing responsibilities in court.

The Committee also learned that while the Act requires that there be two medical practitioners appointed to the Board, there is in fact only one doctor presently serving on the Board. This situation means that the Board has no flexibility when scheduling visits, but must accommodate the one medical practitioner.

For the above-mentioned reasons, the Committee raises the question of whether the Board can fulfill its mandate as constituted under the Private Sanitaria Act. In fact, the Committee believes that a strong argument can be

made to the effect that the Board should be disbanded altogether. It would appear that Homewood Sanitarium is the only privately operated sanitarium in the Province to which the Act applies. Moreover, there are now in place several other acts which have application to private sanitarium. The Public Health Act requires the inspection of sanitarium by the Ministry of Health with respect to the sanitary conditions, and the Mental Health Act permits patients in psychiatric facilities or their relatives to be heard by regional review boards with respect to whether the patient should be kept in that facility. It can be argued that some of the functions of the Board are now within the purview of these other Acts. In light of these matters, the Committee believes that the remaining responsibilities of the Board could be assumed by a local inspection panel created under the Public Institutions Inspection Act. If this course were adopted, the Board would no longer be required under the Private Sanitarium Act.

Your Committee, therefore, recommends that:

1. The Ministry of Health consider amending the Private Sanitarium Act by striking out references to the Board of Visitors and transferring the responsibilities of the Board to the inspection panels created under the Public Institutions Inspection Act.

ONTARIO BOARD OF PAROLE

The Ontario Board of Parole was originally created in 1910 by an Order in Council to consider the fitness of prisoners for parole. With the sanction of the Federal Government, this role was expanded in 1917 to include the review, suspension, and the revocation or continuation of parole where there were violations of its conditions. Since then, there have been a number of reforms which have culminated in amendments to the federal Parole Act. These amendments extended the jurisdiction of the provinces to include any inmate detained in a provincial institution. In response to these federal initiatives, the Legislature of Ontario enacted the Ministry of Correctional Services Act, 1978. The Act gives the Ontario Board of Parole jurisdiction over "any inmate convicted of an offence under any Act of the Legislature, any Act of the Parliament of Canada or against a municipal by-law." For the most part, this refers to inmates serving a two-year-less-a-day sentence, which denotes a less serious offence. The Board also has parole jurisdiction over federal inmates serving their sentences in provincial institutions.

The term parole is defined as the authority granted to an inmate to be at large before his or her term of imprisonment has expired. It is the Board's mandate to determine whether or not an inmate should be granted parole. If parole is granted, the Board sets conditions on it with the intent of providing support and encouragement to the inmate, while attempting to minimize the risk to society. Inmates on parole receive Ministry support through parole supervision and special employment, treatment and educational services in order to help re-establish themselves in the community.

In response to the expanded jurisdictional responsibilities given the Ontario Board of Parole by the Ministry of Correctional Services Act, the Board has undergone a reorganization and increased the number of Board members. In 1978, the Board was reorganized and expanded into five regional Boards. The northern Board covers all institutions north of North Bay and from Timmins westward to Kenora. The eastern regional Board is located in Kingston, the western Board in Guelph, the west-central in Milton and the central Board is located in Toronto at the Ministry of Correctional Services.

Each of the five regional Boards has a full-time Vice-Chairman and its part-time members are drawn from the surrounding areas in order to elicit community participation and cooperation. At the time of the initial reorganization there were 12 full-time members and 17 part-time members on the Board. As of January 1984, this number had grown to 89 members, 11 of whom are full-time. The Act does not stipulate a particular size for the Board, but does require three members for a quorum. All members are Lieutenant Governor in Council appointments, one of whom is designated Chairman.

The governing body of the Board consists of the Chairman, an executive Vice-Chairman, the five regional Vice-Chairmen, a policy and program coordinator and an administrative assistant to the Chairman. All nine executive members are civil servants from the Ministry of Correctional Services. The assistant to the Chairman is not an Order in Council appointment and therefore does not have voting rights as a Parole Board member. The eight voting executive members are chosen for their managerial experience and understanding of the correctional system in Ontario.

The full-time Board members are paid at a rate of \$32,744-\$38,911 per annum, Vice-Chairmen at \$36,507-\$45,130. The Chairman is paid on an executive compensation plan, having the following scale - \$38,267-\$70,175. The part-time members are paid a per diem of \$85, plus expenses.

The Ministry of Correctional Services Act gives the Board the following powers:

- the Board may order the release from custody, on parole, of provincially incarcerated inmates;
- the Board, or a designated representative of the Board, may authorize the arrest and return of a parolee to a correctional institution if there are reasonable and probable grounds that the parolee has not observed the conditions of his or her parole; and,
- the Board has exclusive jurisdiction to examine, hear and determine parole matters and any action or decision of the Board thereon is final and conclusive and not open to question or review in any court.

In spite of this strongly worded limitation on an appeal from a decision of the Board within its jurisdiction, errors of law and fact are reviewable by the courts.

The functions of the Board are outlined in the Memorandum of Understanding. Its primary functions are:

- to consider, grant, deny or defer parole for all eligible sentenced persons by way of a personal hearing and investigation of pertinent information, reports and files;
- to reconsider - review or cancel - parole when further information and requests are submitted subsequent to the initial hearing;
- to monitor monthly and special progress reports as parole progresses;
- to liaise with parole supervisory staff and other involved persons during the parole period;
- to authorize and facilitate out-of-Province parole and parole for deportation;
- to review, suspend, revoke, or continue parole in cases where violations have occurred; and
- to terminate (upon completion or otherwise) the parole process.

Its secondary function is to advise the Minister of Correctional Services on matters, facts, trends, and issues which arise out of the work of the Board and which may require the attention of the Minister.

The Memorandum of Understanding also states that the Board in carrying out its responsibilities will do so:

- within the limits of its jurisdiction;
- as simply, efficiently and effectively as possible;

- responsibly and fairly and in the public interest; and,
- openly in accordance with relevant law and the rights of parties.

In carrying out its legislated responsibilities the Board will also:

- liaise with parole agencies or boards in other jurisdictions,
- be an active member of the Canadian Association of Paroling Authorities; and
- have contact with other agencies of the justice system for the purpose of information sharing and discussion of parole policy issues.

Upon the direction of the Minister, and with the approval of the Lieutenant Governor in Council, the Board may act as an advisor to the Federal Government.

The Board is a Schedule I regulatory agency and is therefore subject to the policies established by Management Board. Although such agencies have their administrative support services provided by the Government, they remain independent in their decision making responsibilities. In the case of the Board of Parole, a close working administrative relationship exists with the Ministry of Correctional Services. The extent of the interrelationship is outlined in the Board's Memorandum of Understanding and the Administrative Agreement with the Ministry. This relationship is explored further in the subsequent section. The Ministry of Correctional Services Act requires an annual report on the Board's proceedings to be delivered to the Lieutenant Governor in Council, but there is no requirement for it to be tabled in the Legislature. However, the Board's activities are reported in the Ministry of Correctional Services annual report. The Board's budgetary estimates are reported as a separate vote and item within the Ministry's Estimates. The Board is subject to an audit by both the Provincial Auditor and Ministry auditors.

The Memorandum of Understanding and the Administrative Agreement show a well defined and close working relationship between the Board and the Ministry. The Memorandum of Understanding outlines the roles, powers and responsibilities of the Board, the Minister and the Ministry. It also sets out the Board's financial and administrative arrangements with the Ministry. As part of this relationship, the Memorandum of Understanding allows members of the Board to participate in the legislative and policy development process at the Cabinet level. The Administrative Agreement details more completely the specific roles, functions and expectations of the Board, as well as the institutions and community programs in support of the Board's hearing process, and the manner in which cases are supervised after parole is granted. Ministry officials are to gather and provide all the necessary information the Board needs to reach a decision. This information includes: circumstances of the offence; criminal background; social background; institutional report; a clinical report for the more serious offenders; and a release plan. The Ministry officials responsible for gathering this information appear at parole hearings in case clarification of their documentation is required. Ministry officials also provide the Board with monthly updates on a parolee's progress while on parole. The relationship is made even more interdependent by the control the Ministry exerts over the Board's finances. Although the Board has the responsibility of preparing a budget, both the Director of Community Services and the Deputy Minister can review and amend the Board's budget proposals so that they fit within the context of the Ministry's overall financial priorities.

Recommendations

The Ontario Board of Parole is established under the Ministry of Correctional Services and is integrated within that Ministry. The Committee believes that this close relationship poses a number of problems.

The Board can be characterized as a quasi-judicial body that makes decisions in individual cases, specifically whether or not an inmate in a provincial institution should be released on parole. Agencies of this type are usually

created at 'arms length' from the ministry under which they fall. The rationale for this type of relationship is that such agencies should be removed from possible political interference and should appear to act at all times independently of the ministry. The Committee heard testimony that the Ontario Board of Parole, unlike similar bodies in other Canadian jurisdictions, is fully integrated within the administrative structure of the Ministry of Correctional Services. The Board is wholly dependent on the Ministry for administrative and financial support, and must compete on an equal footing with other divisions of the Ministry for resources. Such dependence may lead to a situation where the Board's ability to fulfill its mandate is weakened by the Ministry to the extent that it may place the Board's requirements on a different scale of priorities than the Board would itself.

This close relationship with the Ministry of Correctional Services has also been subject to some criticism, since it may lead the public to conclude that the Board is closely tied to the Ministry's correctional policies. For example, a suggestion was made that perhaps because provincial correctional institutions are crowded, the Board has been under some pressure to parole inmates at a quicker rate. While the Committee understood that this is not in fact the case, it is perhaps understandable that this suggestion was made.

On the basis of these considerations, the Committee has concluded that the Board of Parole should not form part of the Ministry of Correctional Services, but, instead, should be transferred to the responsibility of the Ministry of the Attorney General. Moreover, it should be constituted under its own separate statute and report directly to the Attorney General. It should also have its own budget and administrative support services.

Your Committee, therefore, recommends that:

2. The Ontario Board of Parole be transferred from the jurisdiction of the Ministry of Correctional Services to that of the Ministry of the Attorney General and that it be constituted under its own legislation.

The Committee would also like to raise a number of other issues with respect to the operations of the Board. The Committee heard testimony to the effect that the Board is presently operating under some constraint, arising out of the fact that the information which it requires to make decisions has not been made more accessible through computerization. The Board at present must rely on manual files, the information for which comes from a variety of sources, including the Ministry, police records, institutional files etc. Waiting for all this information to be collected invariably slows down the decision-making process of the Board, which in turn means that those affected have to wait longer to know how their case will be decided. The Committee feels that this kind of procedure is inadequate. Given the Board's workload it is important that the Board be given the resources to computerize its files. The Committee understands that the Ministry of Correctional Services is presently conducting a study of the problem.

Your Committee, therefore, recommends that:

3. The Ontario Board of Parole be given the resources to computerize its files.

Another matter of concern to the Committee was the question of how members of the Board acquire the necessary knowledge of how the Board operates, and how it determines which inmates will or will not receive parole. It is in the interest of the inmate, not to speak of the community as a whole, that the Board's decision be fair and appropriate to each case. All concerned must have confidence that those who are eligible for parole do in fact receive parole. While the Board does presently try to train new members, the Committee feels that such training should be formalized and that specific courses be designed to familiarize new members on all aspects of the Board's operations and decision-making processes.

Your Committee recommends that:

4. The Ontario Board of Parole establish a formal program of training for new Board members.

Under the legislation governing the Board, provision is made for a case to be heard by a quorum of members. There is no stipulation that such a quorum include a Vice-Chairman or the Chairman of the Board. The Committee feels that this practice is not appropriate, in that it is usually the Vice-Chairmen or the Chairman who are most experienced in the Board's operations and are normally the longest serving members of the Board and who, therefore, would provide the most continuity on the Board. Their presence on every panel that decides a case would therefore be invaluable. For this reason, the Committee is of the opinion that all panels that hear a case should include a Vice-Chairman, or where a Vice-Chairman cannot be present, the Chairman.

Your Committee, therefore, recommends that:

5. The Ontario Board of Parole establish a policy of including a Vice-Chairman or the Chairman on each panel that hears a case.

Following on this last recommendation, the Committee notes that the Board is somewhat deficient in the number of Vice-Chairmen.

Your Committee recommends that:

6. The Ministry of Correctional Services appoint additional qualified Vice-Chairmen to the Ontario Board of Parole.

The Committee also wishes to raise the matter of the appointments to the Board. While the Committee accepts that it is the responsibility of the Government to make appointments, it does wish to raise the question of whether appointments should not include such persons as psychologists and psychiatrists, as well as individuals recommended by such organizations as the John Howard Society and the Elizabeth Fry Society.

Your Committee, therefore, recommends that:

7. In making appointments to the Ontario Board of Parole, consideration be given to appointing such persons as psychologists and psychiatrists, as well as those recommended by the John Howard Society and the Elizabeth Fry Society.

During the Committee's questioning of the Board members, the relationship between the mandate of the Parole Board and the Temporary Absence Program of the Ministry of Correctional Services was discussed. The Committee understood that each program was quite separate and with its own objectives, though they can be viewed as complementing each other; parole permits inmates to be released from an institution if they have completed at least one-third of their sentence; and allows the inmate to reintegrate him or herself in the community, provided no conditions of parole are violated. Temporary absence, on the other hand, can be granted to an inmate for medical, educational, humanitarian or rehabilitative purposes. The Committee understood that such temporary absences can be granted for varying periods of time and at any time during an inmate's sentence; however, unlike the parole program, the inmate is required to return to the institution or the community resource centre every evening.

Subsequent to the Committee's meeting with the members of the Parole Board, the Chairman of the Board wrote to the Committee providing further comments on the interaction of the two programs interact, highlighting the possibility that there may be an overlapping of mandates. The significant portions of the letter are quoted below:

Currently inmates serving a sentence of 124 days or less may be released outright through Temporary Absence. Inmates can be admitted to a correctional centre and on their way back home within a day, or within any other period of time deemed appropriate by institutional staff. Further consideration is being given to the expansion of this approach to all inmates serving a sentence up to 180 days.

In regard to longer term stays, a proposal is being considered for an intensive supervision project whereby inmates, not normally considered as suitable candidates for Temporary Absence or Parole, would be released under intensive supervision through the Temporary Absence Program. We were recently informed that there were no limits to Temporary Absence Release and that an inmate can be released at any time under the Temporary Absence Program.

It was once understood that Temporary Absence was an absence during the day from an institution for specific activities — education or employment — with inmates

residing in the institution at all other times or away full time for limited duration of one to five days or one to fifteen days for special circumstances. We have been informed that the fifteen-day leave can be given repeatedly without a return to the institution. This means that the Temporary Absence Program has a mandate which exceeds that of the Board. It may be then that the Board should not exist. I do not feel the Committee was aware that Parole was in question. While it is a difficult situation for us to face it, nevertheless, is a question to be asked and answered.

It may be that there should be some examination of the two mandates which leads to some clarification and dovetailing of the two activities, or the replacement of one by the other.

On reviewing the above letter, and the evidence presented to it, the Committee has concluded that there is some overlapping of mandates as regards the Parole Board and the Temporary Absence Program. Consequently, the Committee believes the Ministry of Correctional Services should undertake an evaluation of each program to determine the extent to which these two programs overlap, and whether there is any duplication of unnecessary functions.

Your Committee, therefore, recommends that:

8. The Ministry of Correctional Services undertake an evaluation of the mandates of the Ontario Board of Parole and the Temporary Absence Program in order to determine the overlapping of the two programs.

SOCIAL ASSISTANCE REVIEW BOARD

The Social Assistance Review Board is established under the Ministry of Community and Social Services Act, as a quasi-judicial tribunal to hear appeals under the Family Benefits Act, the General Welfare Assistance Act, the Vocational Rehabilitation Services Act, and to a limited extent with respect to the Health Insurance Act.

The basic underlying purpose of the Board is to ensure that those who receive benefits under the Acts mentioned above are treated equitably and fairly by the administrative process. This is of particular importance where those who are given authority to confer benefits do so on the basis of discretion. Discretion should not be exercised capriciously and inconsistently. It is therefore important that where decisions are made on the basis of discretion that there be opportunity for appeal.

Board members are appointed by the Lieutenant Governor in Council and hold office for three years. The number of Board members is established by the regulations and as of 1 October 1983 there were twenty-three members. One member is appointed Chairman and one or more other members can be appointed Vice-Chairmen. Remuneration is determined by the Lieutenant Governor in Council and at present Vice-Chairmen receive \$140 per day and members \$125 per day. The Chairman is a civil servant and received \$63,250 in 1982-83.

Staff of the Board are to be civil servants appointed under the Public Service Act. In 1982-83, there were seventeen people employed at the Board. In addition, the Board has the services of a legal counsel.

The Chairman is given authority to assign one or more members to conduct a hearing and when such a panel sits, it has the full powers of the Board. The Board is also given power to sit anywhere in Ontario in order to conduct its business.

The Act requires that all hearings of the Board be conducted in private, notwithstanding the provisions of the Statutory Powers Procedure Act. When members have been assigned to hear a case, the Act forbids those members to take part in any investigation or discussion of the case prior to the hearing; nor can the members communicate directly or indirectly with any person in regard to the case, and where such communication is undertaken all the parties to the case must be given the opportunity to participate. Members of the Board, however, can discuss the matter among themselves and seek independent legal advice. When a Board member makes a decision in a case, he is required to be present during the hearings and hear all the evidence and arguments of those who participated in the hearing.

Under the Act, the Board is required to record all oral evidence, and the findings of fact shall be based on admissible evidence and those facts which may be admitted pursuant to sections 15 and 16 of the Statutory Powers Procedure Act. The Board is also required to pay to any party to a hearing or any witness travelling and living expenses necessary to enable that person's attendance at a hearing, where the Board is satisfied that financial hardship exists.

Under the regulations an applicant for a hearing has thirty days to file an application for a review. The Chairman of the Board then has twenty-one days to send notices giving the time, place and purpose of the hearing. The Board is obliged to reach a decision within forty days. The decision of the Board must include the principal findings of fact on the evidence officially noted and the conclusions based on the findings of fact.

The Family Benefits Act establishes a social assistance program funded in part by the federal Canada Assistance Plan and provides assistance to persons who are in need because of some physical or mental disability, and includes such persons as the blind, elderly, permanently unemployed, single parents, foster parents, residents of institutions, handicapped children, and recipients of vocational rehabilitation training. Applications are processed by the required offices of the Ministry of Community and Social Services. These offices also

have the authority to make decisions with respect to applications. To receive assistance an individual must show need as it relates to the family setting, assets and available income.

Under the Family Benefits Act, the Social Assistance Review Board becomes the board of review for the purposes of the Act. The Board is given power to review decisions of the Director of Family Benefits where he has refused an application for benefits or where he has suspended or cancelled a benefit, or where he varies the amount of a benefit.

The Board is required to hold a hearing under the Act and the provisions governing the Social Assistance Review Board under the Ministry of Community and Social Services Act apply with some modifications. The Board can order temporary assistance to an applicant or recipient during the hearing process where it is satisfied that financial hardship exists.

Prior to the hearing the applicant or recipient can examine the submissions or documents provided to the Board by the Director.

The Board has the power to affirm a decision of the Director, rescind the decision and direct the Director to make any other decision he is authorized to make under the Act, substitute its opinion for the Director's, and refer the matter back to the Director for further consideration. On application, the Board can be asked to reconsider any previous decision it has made.

An appeal to the Divisional Court from a decision of the Board is permitted under the Act on a matter of law or on a matter of law and fact. It should be pointed out that while the review and appeal process continues, the decision of the Board or the Director continues in force until the Board or the court finally disposes of the matter.

Under the General Welfare Assistance Act the Province in cooperation with municipalities provides financial support to needy people on an emergency and short term basis. The principal recipients of assistance are the unemployed,

the elderly, the sick or disabled, parents with foster children, and sole-support mothers. The assistance provides for basic living expenses, and free OHIP coverage and prescription drugs.

Under the Act, the municipal welfare administrator is charged with the responsibility of determining the eligibility of applicants and the amount of assistance that an applicant may receive. The administrator is given authority to refuse to provide assistance, to suspend or cancel assistance where

- (a) the applicant or recipient is not or ceases to be entitled to assistance,
- (b) the applicant or recipient fails to provide necessary information in order to determine eligibility; or,
- (c) the regulations specify any other ground for refusal, suspension or cancellation of assistance.

Where an applicant or recipient has been affected by a decision of the administrator, he may within thirty days ask the Board for a hearing and a review. The Board has the discretion to extend the time within which the applicant or recipient can make his appeal to the Board.

As far as the procedures of the Board under this Act are concerned, sections 14, 15, 16 and 18 of the Family Benefits Act and section 12 of the Ministry of Community and Social Services Act apply, with the necessary modifications, to the General Welfare Assistance Act.

The Vocational Rehabilitation Services Act provides for rehabilitation services for the physically handicapped in order that they may join the work force. The services include such items as artificial limbs, wheelchairs and dental services. Training costs are covered and allowances are paid for those approved for assessment and training programs.

The Director of the Ministry's Vocational Rehabilitation Services is made responsible for determining who is eligible for such services, and for determining the amount and nature of those services. The Director is given authority to suspend or cancel services where the disabled person:

- (a) ceases to be eligible for vocational rehabilitation services under this Act or the regulations;
- (b) fails to avail himself of vocational rehabilitation services authorized for him;
- (c) is not benefitting from the vocational rehabilitation services being provided for him;
- (d) is not making satisfactory progress towards rehabilitation;
- (e) fails to provide to the Director or his representative, including a field worker, the information required to determine initial or continuing eligibility to vocational rehabilitation services; or
- (f) fails to comply with any provision of this Act and the regulations.

Where a disabled person has had his vocational services cancelled or suspended, he may ask the Board to review the Director's decision. In dealing with a review under this Act, the Board is required to follow the procedures set out in sections 13, 14, 15, 16 and 18 of the Family Benefits Act and section 12 of the Ministry of Community and Social Services Act; moreover, an appeal lies to the Divisional Court as if the services were benefits under the Family Benefits Act.

In 1982-83 the Board received some 4,920 requests for a hearing, the second highest number in the Board's history. Most of the requests came during the second half of the Board's fiscal year ending in March, 1983. As the Chairman of the Board has explained, this placed the Board under considerable pressure, with the result that the Board's ability to render decisions within the prescribed time limit of forty days was exceeded in 82% of the cases.

With respect to hearings under the various Acts, the figures are as follows: under the Family Benefits Act - 2,366; under the General Welfare Assistance Act - 1,734; and under the Vocational Rehabilitation Services Act - 119. Compared to the previous year there has been a greater increase of cases under GWA than under Family Benefits. The proportion of appeals that were granted stayed roughly as in the previous year at 16.5%, while the number of appeals that were denied fell from 78.4% to 75.5%.

Money for the administration of the Board is appropriated by the Legislature and appears in the Ministry of Community and Social Services yearly estimates. The Board's operating budget for the last three years reveals the following: 1980-81 - \$1,132,400; 1981-82 - \$1,291,100; 1982-83 - \$1,546,300. In 1982-83 the Board heard 4,219 appeals, had 48 weekly review meetings and 2 semi-annual general meetings.

The Board is deemed to be a regulatory agency within Schedule I under the classification established by Management Board of Cabinet. The Board, therefore, is required to have a Memorandum of Understanding with the Ministry. The present Memorandum tabled in December, 1983 establishes the legislative, administrative and financial relationship the Board will have with the Ministry. The Memorandum makes clear that the Board is independent of the Ministry with respect to the Board's mandate and function as a quasi-judicial tribunal reviewing decisions made by administrators.

The Memorandum requires the Ministry to provide the Board with necessary support and administrative services. The Manual of Administration applies to the operation of the Board.

Recommendations

By its own admission, the Social Assistance Review Board has not been expeditious in rendering decisions. In 82% of all cases heard during 1982-83 the Board took longer to issue a decision than is required by the regulations. In view of the fact that those waiting for their appeal to be decided may be materially affected by a delay, the Committee has concluded that such delays are unacceptable. The Board, in the view of the Committee, must make every effort to improve its procedures in order that its decisions are issued within the prescribed forty days.

Your Committee recommends that:

9. The Social Assistance Review Board improve its procedures and practices so that it can render its decisions and notify appellants within the prescribed forty days.

Following on this theme of improving the efficiency of the Board, the Committee explored ways that would increase the Board's productivity. The Committee considered the possibility of creating regional boards. Such boards would have the advantage of being close to the community they would serve, and would be familiar with the conditions existing in that community. Also, since they would be permanently located in a particular region of the Province, travel time between Toronto where the present Board meets to discuss each decision, and the local community, where the Board hears cases, would be significantly reduced. Another possible alternative would be the establishment of regional adjudicators. Each adjudicator would have the authority to recommend to the Board that a person either receive or not receive a benefit under the various Acts under which the Board operates. The Board on receiving the adjudicator's recommendation could, if the issue was relatively simple, affirm that recommendation or, if more complex, hold a hearing. Even if only in a minority of cases the Board affirmed the recommendation of the regional adjudicator, this would still speed up the Board's decision-making processes.

Your Committee, therefore, recommends that:

10. The Ministry of Community and Social Services in conjunction with the Social Assistance Review Board investigate the possibility of creating Regional Boards of Review or a system of Regional Adjudicators as a way to expedite the decisions of the Board.

Another matter of concern to the Committee was the fact that an applicant for benefits under the General Welfare Assistance and the Family Benefits programs must complete two separate forms in order to be considered under each program. In view of the fact that most applicants under one program are usually in a position to be considered under the other program, the Committee believes that one application form should be devised for both programs. Thus, when applicants fill out a unified form, they will have that application considered automatically under both programs. Considering that most applicants are not always knowledgeable about all government programs, and generally have difficulty in understanding what is required of them when

they make an application for a benefit, a unified application form would serve to ensure that all possible government assistance would be open to them when they first contact the appropriate government authority.

Your Committee recommends that:

11. The Ministry of Community and Social Services devise one unified application form under the Family Benefits Act and the General Welfare Assistance Act.

Following on this recommendation, the Committee would like to draw attention to the fact that social workers do not always explain to potential applicants for assistance that they may apply for benefits under both the Family Benefits Act and the General Welfare Assistance Act. Nor do social workers always seek to assist an applicant in filling out the appropriate forms.

Your Committee, therefore, recommends that:

12. The Ministry of Community and Social Services seek to encourage social workers to assist potential applicants for government assistance in filling out application forms.

The Committee also raised the issue of whether applicants when they appear before the Board should be assisted in presenting their case by some individual who has knowledge of how the Board works. Invariably those who appear before the Board do not have a sophisticated knowledge of how government works, in general, and the Board, in particular. Applicants would feel more comfortable with the decision-making process, and the final outcome, if there was someone to help them in presenting their case to the Board. The Committee has no definite views as to how this might be accomplished. One approach would be to assign duty counsel to the Board much in the same way that duty counsel are assigned to provincial courts. Another approach would be for the Ministry of Community and Social Services to retain the services of a community legal clinic that specializes in representing people before government administrative boards and tribunals.

Your Committee, therefore, recommends that:

13. The Ministry of Community and Social Services recognize the right of appellants before the Social Assistance Review Board to receive assistance, including legal advice, when presenting their case to the board. It would be the responsibility of the Ministry to provide such assistance.

Lastly, the Committee understands that the Board is permitted to hear individual cases with only one Board member present. The question arises as to whether the presence of one person is sufficient to render a fair and equitable judgement. The Committee feels that in all instances two members of the Board should constitute a quorum to hear a case and render a decision.

Your Committee, therefore, recommends that:

14. The Social Assistance Review Board make it a matter of policy that all cases will be heard by a panel of at least two members.

THE GAME AND FISH HEARING BOARD

The Game and Fish Act provides for the management, perpetuation and rehabilitation of the wildlife resources in Ontario, and the maintenance of a maximum wildlife population consistent with all other proper uses of lands and waters. The Act establishes the regulatory framework for hunting and fishing in Ontario and makes it a requirement that anyone engaged in commercial fishing or hunting must hold a licence. Where such a licence is not issued or cancelled the person affected can have the matter reviewed by the Game and Fish Hearing Board.

The Board is composed of no more than five members appointed by the Lieutenant Governor in Council. One member is appointed Chairman. Members are paid a per diem plus expenses with the Chairman receiving \$125 per day and other members receiving \$85 per day. The Board met 20 times in 1982-83.

The Board has been created to hear appeals in those instances where the staff of the Ministry of Natural Resources have refused to issue a commercial fishing or hunting licence because such a licence would not conform to the objectives of the Act, or where the Minister of Natural Resources cancels a licence because the continued existence of such a licence would not conform to the objectives of the Act.

The person whose licence has been refused or who has had his licence cancelled by the Minister has the right to receive notice of such a decision and the reasons for that decision. He is given fifteen days to appeal that decision to the Board.

The Board is required to hold a hearing and to make a report to the Minister, which shall contain a summary of the facts heard by the Board along with its opinion on the merits of issuing a licence or cancelling a licence. The Minister is entitled to be heard by the Board. The Board's decision or opinion is not final or conclusive. Once the Minister receives the Board's report, it is within his discretion to direct that either the licence be issued or not, or that the licence be cancelled or not.

The person who seeks a hearing by the Board is entitled to examine any written or documentary evidence that has been produced, or any report that will be presented at the hearing. Although the Board is not a tribunal to which the provisions of the Statutory Powers Procedure Act apply, relevant sections of that Act are made to apply to the Board.

The Board, as classified by Management Board, is a regulatory agency within Schedule I. As such, the Board is required to have a Memorandum of Understanding with the Ministry of Natural Resources. The Memorandum establishes the agency's relationship with the Ministry. Administratively the Board is part of the Ministry, with the latter providing the Board's support services, financial requirements and internal audits.

Recommendations

As has been detailed, the Game and Fish Hearing Board was created to hear appeals from those who have had requests for a commercial hunting or fishing licence turned down by the Ministry of Natural Resources, or where the Minister has cancelled a licence. In each case, the basis for the decision is discretionary; that is, Ministry officials or the Minister himself interpret what is in the best interests of wildlife management in Ontario when they turn down a licence or cancel a licence. The Minister and his officials set the policy and are responsible for implementing that policy.

The Board's function in this process is somewhat limited. While it hears cases where a licence has been refused or cancelled, it makes only a recommendation to the Minister as to whether that licence should in fact be turned down, or cancelled. The Board cannot make a final decision in the matter, but acts in an advisory capacity only.

In light of these considerations, the Committee believes that the Board should be given the power to make a final decision in a case, subject to appeal to the Minister.

Your Committee, therefore, recommends that:

15. The Game and Fish Hearing Board be given the power to make a final decision, subject to an appeal to the Minister of Natural Resources.

NURSING HOMES REVIEW BOARD

The Nursing Homes Act creates a regulatory framework for the establishment and continued operation of private nursing homes in Ontario. The Act requires that every nursing home be licenced and that every home comply with established standards in order to maintain its licence. Provision is made for the inspection of nursing homes to ensure compliance with the standards set down in the regulations. The Act also provides that where a licence is revoked or where a home has no licence, the home can be operated by the Minister until alternative accommodation is found for the residents.

The Nursing Homes Review Board is established under the Nursing Homes Act as an administrative tribunal. It is composed of seven members appointed by the Lieutenant Governor in Council. Members of the Board may be civil servants. The Act does not specify for how long members are appointed nor under what conditions they can be removed. Remuneration is on a per diem basis, with the Chairman receiving \$125 per day and other members \$100 per day.

The provisions in the Nursing Homes Act were not deemed to be sufficient to deal with operators of nursing homes who did not comply with the requirements of the Act. Consequently, the Health Facilities Special Orders Act was passed in 1983 giving the Minister of Health the power to suspend a licence and to order the suspension of offensive activities. Moreover, the new Act gives authority to the Minister to take control and operate a nursing home where the licence has been suspended by him.

Under both Acts, provision is made for the applicant for a licence or a licensee to appeal to the Nursing Homes Review Board when the application for a licence has been turned down or when a licence has been suspended or revoked.

In order to better understand how the Nursing Homes Review Board operates, it may be appropriate to describe in general terms how each of the two Acts works.

Under the Nursing Homes Act, anyone who can meet the standards set out in the Act and the regulations is entitled to a licence, and a Director of Nursing Homes is appointed to issue such licences. It is his responsibility to ensure that every applicant meets the requirements of the Act and regulations before a licence is issued. If the Director refuses to issue a licence, the applicant can appeal to the Board. It should be made clear that the Director's refusal to issue a licence is based on his assessment of the applicant's ability to comply with the technical and practical standards set out in the Act and regulations. In addition, the Director can refuse a licence where he believes that a proposed nursing home would, if given a licence, contravene the Act and regulations or any other Act or regulations or any municipal by-law, or if he believes that the past conduct of the applicant or where the applicant is a corporation, the past conduct of its officers or directors, would lead to the belief that the home would not be operated in accordance with the law and with honesty and integrity, or where it appears that the applicant is not competent to operate a nursing home or is not in a position to furnish or provide the required services. In these instances, the applicant can appeal the Director's decision to the Board.

No appeal lies to the Board where the Minister states to the Director that it is not in the public interest to grant a licence. The Act requires that under these circumstances the Director not issue a licence. The Minister for his part is required to take into account certain factors in determining whether an application for a licence would not be in the public interest. These factors center on whether the area where the proposed nursing home would be established is already well served by comparable health facilities.

After a licence is issued, the Director can revoke or refuse to renew a licence, if:

- (a) the licensee is in contravention of this Act or the regulations or of any other Act or Regulation that applies to the nursing home;
- (b) there is a breach of condition of the licence;

- (c) any person has made a false statement in the application for the licence or renewal thereof, or in any report, document or other information required to be furnished by this Act or the regulations or by any other Act or regulation that applies to the nursing home;
- (d) where the licensee is a corporation a change in its officers or directors would, if it were an applicant, afford grounds for refusing to issue a licence under clause 4(5)(b) - that is, if the past conduct of the officers is suspect; or,
- (e) the nursing home is being operated in manner that is prejudicial to the health, safety or welfare of the residents cared for therein.

Where the Director has made a decision to revoke or refuse to renew a licence, the licensee can ask the Nursing Homes Review Board to review the Director's decision.

The Director is required by the Act to serve notice on the applicant or licensee if he proposes not to issue or renew a licence or to revoke a licence. He must also inform the applicant or licensee that he can appeal the decision of the Director by asking the Board to conduct a hearing. Fifteen days are allowed to the applicant or licensee to appeal. If there is no appeal, the Director can carry out his intention to refuse a licence or revoke a licence.

When a matter comes before the Board, it is required to appoint a time for a hearing, and can extend the time for holding a hearing if there are good grounds to do so. The Board is given power to direct the Director to carry out his proposal (that is to refuse an application for a licence, or revoke a licence) or to refrain from carrying out his proposal, and to direct the Director to take such action as the Board considers the Director ought to make. During the time the Board is conducting its hearing and until a decision has been reached a licence continues to be in force. An applicant or licensee who participates in a Board hearing has the right to examine before a hearing any evidence that will be produced or the contents of any report that will be presented at a hearing.

Board members cannot have been part of any pre-hearing investigation of the subject matter of the hearing and are forbidden to communicate directly or indirectly with anyone who is a participant in a hearing. All members of the Board must have been at the hearing and heard all the evidence before they can render a decision.

Any of the participants at a hearing has a right to appeal a decision of the Board to the Divisional Court.

The Health Facilities Special Orders Act, in addition to affecting nursing homes, also covers ambulance services, private hospitals, laboratories and specimen collection centres. The purpose of the Act is to expedite the remedial actions the Minister can take in protecting the health and safety of the public. In presenting this legislation to the House, the Minister of Health stated the specific reasons why this Act was needed:

Present Ministry legislation provides for the licensing of health facilities under prescribed terms and conditions and establishes patient care and safety standards, and operational standards.

Where such standards are ignored or contravened, and where patient health and safety is at risk in a health facility, the primary recourse available to the Ministry under existing legislation is to propose to revoke or to refuse to renew the licence of the health facility. The Ministry's proposal is subject to the licensee's right to appeal to an appeal or review board. The decision of the appeal or review board is subject to further appeals to the courts on questions of law.

However, notwithstanding the fact that patient health and safety may be at risk, at present, the licence continues in full force and effect until the appeal or review process (including any subsequent appeal to the courts) has been completed.

The inevitable delays inherent in the appeal or review process are unacceptable where the health and safety of persons may be at risk.

The Minister is given several remedial powers under the Act. He can suspend a licence where he believes there are reasonable grounds that a nursing home is in bad physical condition or that the manner of operation of the nursing home is causing or is likely to cause harm to any person or create

conditions that affect the safety of any person. The suspension continues in effect until the Minister is satisfied that the situation in the nursing home has been corrected. Where a licence has been suspended by the Minister, he may take control and operate the nursing home for no more than six months, if in his opinion, the nursing home should continue to operate temporarily to ensure the health and safety of those served by the institution. If the Minister wants to extend the period of time during which the Minister has control of the nursing home, he can apply to the Nursing Homes Review Board for additional extensions of six month periods. An order by the Minister or Board is final and binding. The Minister can also order a licensee to suspend carrying on a particular activity that could harm or affect the safety of any person, or order that the licensee cease carrying on an activity. The Minister can also propose to revoke a licence where nothing has been done to improve the physical state of a nursing home, the manner in which it is being operated, or where the conduct of a licensee or a corporation or an officer or director of a corporation suggests that the nursing home will not be operated with competence, honesty, integrity or concern for the health and safety of the persons served by the nursing home.

Where a licence is suspended, or revoked or where the Minister orders a nursing home to cease some particular activity, the order for these actions takes effect upon delivery of the required notice to the licensee and continues to be in effect until the issue is resolved by the Board on review or by a court on appeal. It should be pointed out that the Ministry considers this provision to be the most important in the Act, since it permits the Minister to take immediate action, unlike the remedial provisions in the Nursing Homes Act which do not take effect until after the review and appeal process has been exhausted.

The licensee is entitled to a hearing by the Board where the Minister proposes to revoke a licence or requires a licensee to cease carrying on an activity or where the Minister by order suspends a licence or requires that an activity be suspended. In the last two instances, the Board may by order vary, confirm or rescind the Minister's order and ask him to take such action as the Board

considers the Minister ought to take under the Act and regulations. In the first two cases, the Board can direct the Minister to carry out his proposal or to refrain from carrying out his proposal, and can order the Minister to take such action as the Board considers the Minister ought to take under the Act and regulations. In each case, the Board can substitute its opinion for that of the Minister.

Where the Minister takes control of a nursing home for six months or where the Board extends the time for successive periods of six months, the order to this effect continues until the Minister terminates the order, or where the licence has been suspended, until the suspension has been removed, or where the Minister has proposed to revoke a licence, until the matter has been disposed of at a hearing or an appeal, or until the residents of a nursing home have found alternative accommodation.

As far as the Board's procedures under this Act are concerned, it has the same obligations as under the Nursing Homes Act.

Once the hearing stage is completed, the licensee, the Minister and any other person who is a party to the proceedings has the right to appeal an order or decision of the Board to the Divisional Court, and such an appeal can be on questions of law or fact or both. The Court can affirm or rescind a decision of the Board and can direct the Minister to take such action it considers proper and can substitute its opinion for that of the Minister. The Court can also refer a matter back to the Board for reconsideration.

Money to operate the Board comes from the Ministry of Health through its annual appropriations and budget process. Because the support services of the Board are provided by the Health Boards Secretariat, the Board's actual expenditures reflect only those sums that go toward paying per diems for Board members. In 1982 and until mid 1983 the Board did not sit, so that the Board had no expenditures. In 1983-84 the Board had a projected budget of \$6,800 to be used for paying per diems plus any other expenses incurred by Board members.

The Board is designated as a regulatory agency within Schedule I in the Manual of Administration. As such the Board is required to comply with the administrative policies established by Management Board and has its administrative support services supplied by the Ministry. As well the Board is required to have a Memorandum of Understanding defining the relationship between the Board and the Ministry of Health. The present Memorandum signed in 1983 details that relationship with the Ministry. Of significance is the fact that the Board is subject to the administrative policies of Management Board. Administrative support services are supplied by the Health Boards Secretariat of the Ministry of Health.

As an administrative tribunal the Board is created at 'arms length' from the Ministry with respect to procedures and policy, while retaining close connections with the Ministry at the administrative level.

Recommendations

As has been described, the Nursing Homes Review Board hears appeals where a licence to operate a nursing home has been cancelled, suspended or refused. The Board is not involved in the intermediate stages when the Ministry makes inspection reports, and seeks to ensure that a particular nursing home complies with the provisions of the Nursing Home Act and the regulations. In recognition of the Board's specific, but limited function, the Committee believes that the Board's name should be changed to reflect the actual function of the Board, namely, to hear appeals with respect to the licensing of nursing homes.

Your Committee, therefore, recommends that:

16. The name of the Nursing Homes Review Board be changed to the Nursing Homes Licence Review Board.

Following on the observation made above with respect to the limited role of the Board, the Committee wishes to make several additional observations. As presently constituted, the Nursing Homes Act makes no provision for the formal resolution of complaints with respect to the quality of care provided at

a particular nursing home. It is the Committee's view that a procedure should exist whereby residents of a nursing home, or their relatives, can make a formal complaint about some aspect of care provided at a nursing home and have that complaint addressed by the proper authorities. The Committee raises for consideration the possibility of having such complaints heard by the nursing home inspectors who would then have the power to intercede with the administrator of the nursing home in order to mediate the complaint. Alternatively, the Ministry of Health could create a special complaints bureau that would receive complaints and would seek to mediate complaints. In each case, every nursing home would be required to post the address and telephone number of the Ministry official to whom a complaint could be made.

Your Committee, therefore, recommends that:

17. The Ministry of Health establish a formal complaints and mediation procedure with respect to the quality of care provided at nursing homes.

Another matter the Committee wishes to raise deals with those instances when a nursing home is required to make major structural changes to the building. It may be that for a variety of reasons such changes cannot be implemented to the extent required by the Ministry or within the time specified by the Ministry. Under these circumstances, it may be appropriate for the nursing home to seek a review of the matter. The Nursing Homes Review Board may be the body to which the nursing home could apply for a review, not to set aside the requirement for structural changes, but to determine the extent and timing of those changes.

Your Committee recommends that:

18. The Ministry of Health consider whether the Nursing Homes Review Board could review the Ministry's requirement that a nursing home make major structural changes to its premises.

CROP INSURANCE COMMISSION OF ONTARIO

Consideration of a crop insurance scheme for Ontario came as a result of severe weather conditions in the early 1960s when Ontario farmers having suffered partial or total crop losses sought government assistance. The Ontario Government was prepared, as it had been in the past, to offer assistance in the form of subsidies and interest free loans. However, when it approached the Federal Government with a request to create a cost-sharing program, the federal Minister of Agriculture indicated that he did not favour the type of programs established by the Province; rather he wanted Ontario and several other provinces to consider a comprehensive crop insurance scheme. As a result of negotiations between the federal Minister of Agriculture and several provinces, including Ontario, the federal Crop Insurance Act was amended to take into account provincial requirements. For its part, Ontario passed its Crop Insurance Act (Ontario) establishing the Crop Insurance Commission of Ontario, which was given the responsibility of administering the Canada-Ontario Crop Insurance Program.

Under the federal Crop Insurance Act, the Federal Government provides all risk crop insurance to Canadian farmers. The program is cost-shared between the Federal Government and the provinces and seeks to stabilize farm income by seeking to minimize at the individual farm level the adverse effects of crop losses coming as a result of natural hazards. Two cost-sharing options are available under the Act; the Federal Government will either contribute 25% of the total premium and half the administrative cost, or 50% of the total premium if the province pays all of the administrative costs. Ontario has adopted the latter option.

The federal Crop Insurance Act requires that there be an agreement between the federal Minister of Agriculture and a province and that that agreement shall include the following matters:

(1) An agreement shall

(a) specify the terms and conditions of the insurance scheme, including

- (i) the crops and the area or areas in the province to which the insurance scheme extends,
 - (ii) the nature of the losses insured against and the manner of ascertaining and determining losses,
 - (iii) the producers who are eligible for crop insurance,
 - (iv) the amount of the insurance to be effected on any crop in any area or on any farm in any area, which shall not exceed eighty percent of the average yield of the crop in the area or on the farm, whichever is the greater,
 - (v) the period or season during which the insurance in respect of any crop shall be effective,
 - (vi) the premiums to be paid in respect of any policy of crop insurance, which shall be such as in the opinion of the Governor in Council will make the insurance scheme self-sustaining, and the share of such premiums to be paid by the province, and
 - (vii) particulars of the policies of insurance to be issued;
- (b) contain provisions for establishing the value of crop for the purposes of the insurance scheme;
 - (c) set forth those expenses incurred by the province in the administration of the insurance scheme in respect of which contributions will be made by Canada under this Act, and the manner and method of calculating and determining such expenses;
 - (d) stipulate the minimum number of policies of insurance, or the minimum amount of insurance, in respect of any area or any crop required to entitle the province to contributions in respect thereof under this Act;
 - (e) provide for the settlement of differences arising under the agreement;

- (f) contain a covenant by the province
 - (i) that it will establish a reserve fund for the payment of indemnities,
 - (ii) that all premium receipts will be used only for
 - (A) the payment of indemnities under policies of insurance,
 - (B) the repayment to the province of any amounts paid by the province, out of funds not derived from premium receipts, by way of payment of indemnities under policies of insurance,
 - (C) the reinsurance of the liabilities of the province pursuant to a reinsurance agreement, and the reinsurance by the province in any other manner of any portion of its liabilities under the insurance scheme that is not covered by a reinsurance agreement,
 - (D) the repayment of any loans made to the province pursuant to an agreement under subparagraph 3(b)(i), and
 - (E) the payment of not more than fifty percent of the administration expenses referred to in paragraph (c), and
 - (iii) that it will keep and maintain such records and will furnish to Canada such information as the regulations prescribe;
- (g) specify the manner in which the province will inform each person to whom a policy of crop insurance is issued of Canada's participation in the insurance scheme under which the policy is issued;
- (h) contain a covenant by Canada to make the contributions and loans that are authorized to be made under this Act; and

- (i) specify the portion of the premium receipts to be paid
 - (i) to the Crop Reinsurance Fund, which shall be such portion as in the opinion of the Governor in Council will make that Fund self-sustaining, and
 - (ii) for any purpose other than the maintenance of the reserve fund for the payment of indemnities.

The Crop Insurance Commission of Ontario is constituted as a corporation without share capital with five members appointed by the Lieutenant Governor in Council. One member is designated as Chairman and another as Vice-Chairman. The Chairman has usually been a civil servant. Three members constitute a quorum, and both the Chairman and Vice-Chairman must be present to establish a quorum.

The Commission may appoint under the Public Service Act a general manager as well as other officers, clerks and servants. The general manager is made the chief administrative officer to whom the Commission can delegate the powers and duties given under the Act. The present manager is also the Chairman. The Commission is also given additional authority to appoint professional and technical staff.

A breakdown of the Commission's personnel reveals that in the year 1982-83 there were:

members of the Commission	-	7
office staff	-	12
professional support staff	-	16
casual staff	-	17
agents	-	107
adjusters	-	68

In addition, a Board of Arbitration is established by regulation to consist of one or more members appointed by the Lieutenant Governor in Council. One of the members is designated as Chairman. The Board is given jurisdiction to hear and determine all disputes between the Commission and an insured person with respect to matters arising out of the adjustment of loss under a

contract of insurance. When a matter under dispute cannot be resolved, either the Commission or the insured person can notify the Board that the issue in dispute needs to be determined by arbitration. The Board must hear each of the parties before making a determination, and a majority of members shall make the decision and if there is no majority view the Chairman can decide.

Arbitration Board members receive \$105 per day plus expenses and the Chairman receives \$210 per day plus expenses. The Board holds between 12 and 15 meetings a year.

The Crop Insurance Act (Ontario) gives the Commission the following functions:

- (a) to administer plans of crop insurance established by the regulations;
- (b) to conduct surveys and research programs relating to crop insurance and to obtain statistics for the purposes of the Commission;
- (c) to evaluate losses and pay claims under plans of crop insurance;
- (d) to enter into agreements with or retain persons for the soliciting and receiving of applications for insurance, the collecting of premiums and the adjusting of claims under plans for and on behalf of the Commission, and the doing of such other things on its behalf as the Commission considers necessary;
- (e) to reinsure with any other insurer the risk or any portion thereof under its contracts of insurance under any plan;
- (f) to require an applicant for crop insurance or an insured person to furnish such information, statements and reports as the Commission requires from time to time;
- (g) to administer this Act and the regulations;
- (h) to exercise such powers and perform such duties as are conferred or imposed upon it by or under this or any other Act; and
- (i) to perform such other functions and discharge such other duties as are assigned to it from time to time by the Lieutenant Governor in Council.

At time of writing, there are 47 insurable crops each with its own insurance plan. What crops will be insured is a matter of consultation between the Province and the Federal Government. A listing of what crops are subject to insurance is provided in the regulations. The regulations also detail all the 47 insurance plans for each designated crop. Each plan provides what can be covered under the plan, what the premium rate is and what the indemnity rate is on losses. Each crop is insured up to a certain percentage of the production of that crop for that farm. [In most cases the percentage is 70% rising to 80% if in over four years there has been no claim.] The production of a given crop is determined by the Commission in co-operation with the farmer and is based on what is called the average farm yield; that is, the average size of the crop over a number of years. The average farm yield is then used to calculate the actual loss the farmer experienced as a result of one of the designated hazards. Although the natural hazards vary somewhat among crops, the principal ones are drought, excessive moisture, excessive rainfall, flood, frost, hail, insect infestation, plant disease and wind. Where as a result of such hazards the farmer anticipates loss of production, the Commission sends out an appraiser to assess any damage. At the end of the harvest period a further assessment is made and a final settlement made with the farmer.

The marketing of individual crop insurance plans is conducted through commissioned agents under contract with the Commission. These agents may be regular insurance agents or other qualified individuals. In addition, claims adjusters are appointed by the Commission to examine damaged crops and to assess the extent of damage.

In November, 1983, an amendment to the Crop Insurance Act (Ontario) was passed providing for extended coverage for fruit trees to insure against loss arising from the destruction in whole or in part of stands of fruit trees or perennial plants, or loss arising when the seeding or planting of land intended to be used to grow an insured crop is prevented by a designated peril. The Minister in introducing the amendment indicated that the measure reflected particular concern for apple growers whose trees are highly susceptible to various natural hazards.

As has been indicated, the administrative expenses of the Commission are paid by the Government out of money appropriated by the Legislature. The Commission's administrative expenses for the last three fiscal years were as follows: in 1980-81 - \$2,175,144; 1981-82 - \$2,489,015; 1982-83 - \$3,334,250.

The Act provides that the Minister of Agriculture and Food can enter into an agreement with the Government of Canada with respect to the costs that the Province incurs in operating the individual insurance plans. No crop insurance plan can be established without such an agreement. The present arrangement provides that the administrative expenses of the Commission are paid out of monies appropriated by the Legislature. Up to fifty percent of the total premiums are initially paid by the Province, which subsequently recovers that fifty percent portion from the Government of Canada. If there are insufficient funds to pay claims under the insurance plans, the Lieutenant Governor in Council may authorize the Treasurer of Ontario to advance funds to the Commission on such terms and conditions as the Lieutenant Governor in Council may direct.

The Commission's financial statement for 1982-83, indicates that it received \$16,461,958 in premiums from insured farmers, and that an equivalent amount was contributed by the Government of Canada as its share of premium subsidies. In addition, in 1982-83, both the Government of Canada and the Province contributed \$15,000,000 each, as a one time grant to cover the inadequate premium levels of past years particularly with respect to such crops as flue-cured tobacco which incurred major losses during the 1982 crop year.

The Commission had 8,427 claims for indemnity that totalled \$74,115,585 in 1982-83. If we add the 1983 deficit is added to previous year deficits, the Commission's accumulated deficit came to \$47,720,431 in 1982-83. This does not include the advances from the Treasurer which in 1983 totalled \$47,532,208 and which the Commission has to repay to the Treasurer at a fixed interest rate. In 1983, \$35,457,311 had a fixed interest of 11.725 percent up to October, 1984, and \$12,074,897 had a fixed interest rate of 11.25 percent to 31 January 1988. There is, however, no set repayment schedule. In 1983, the interest on the advances from the Treasurer came to \$8,916,192.

As of 31 March 1983, there were 29,304 contracts covering 1,818,762 acres insured for a total of \$470,352,300. Premiums came to \$32,923,916 while there were 8,427 claims for \$74,115,585. There was an overall loss of \$41,191,596. The one crop plan which registered heavy losses was flue-cured tobacco which had a deficit of \$51,091,904.

The various figures provided above would indicate that the financial position of the Commission is in some difficulty and that certain plans appear to be underfunded in relation to the claims made against a particular fund. In its financial statement, the Commission makes the prediction that "Due to adverse growing conditions during the 1983 crop year, the Commission expects to incur heavy losses with respect to certain insured crops, including corn, soy beans, spring grain, green peas and tomatoes."

The Crop Insurance Commission of Ontario is an operational agency within Schedule I of Management Board's classification. More specifically it is a service delivery agency providing a specific service. Administratively it is an extension of the Ministry of Agriculture and Food, with the Ministry providing administrative support services and having discretion with respect to funding, organization and personnel matters. The Memorandum of Understanding, which is a requirement for a Schedule I agency, details other aspects of the Commission's relationship with the Ministry. Thus, minutes of meetings of the Commission have to be made available to the Minister and the Minister is expected to receive an annual report which is laid before the Assembly. The Commission's financial records and accounting system are subject to Ministry audit, while the annual financial statement is audited by the Provincial Auditor.

Informal communication between the Commission and the Ministry is maintained by the General Manager of the Commission reporting to the Assistant Deputy Minister of Finance and Policy. It should be remembered that the General Manager and Chairman of the Commission is a civil servant within the Ministry. One would expect that under these circumstances the overall relationship between the Commission and the Ministry would be very close and substantive policy matters would be discussed at the Ministry level before being implemented by the Commission.

Complicating somewhat the accountability and control framework is the fact that the Commission operates not only in the context of the Crop Insurance Act (Ontario), but also within the provisions set out in the Federal Act and regulations.

Recommendations

Over the last decade, but particularly during the last two years, Ontario farmers have been subject to a variety of adverse weather conditions, with the result that many farmers have suffered major crop failures. Some crops, tobacco in particular, have had persistent losses. This has meant that there have been higher than usual claims made against the various individual crop insurance plans. However, the Commission has not imposed higher premiums because many farmers in the current economic situation would find the premiums prohibitive. The cumulative effect of these circumstances has meant that the Commission's financial position has suffered. Some individual plans have large deficits and the Commission in general is heavily indebted to the Treasurer of Ontario.

It is the Committee's view that despite these difficulties the Commission has sought to ensure that Ontario farmers have an affordable crop insurance system, one that supports the continued viability of the agricultural community. In this endeavour the Commission has the support of the Committee.

In giving support to the mandate of the Commission, the Committee expresses concern with respect to the Commission's financial predicament, and offers a number of suggestions that would help to alleviate the Commission's deficit. The Committee concurs with the Provincial Auditor when he suggests that the Commission should make every effort to negotiate a reinsurance plan with the Federal Government. Such reinsurance could help prevent the present situation where some crop plans have substantial deficits. In the meantime, the Committee believes a number of other options are available to the Commission. The Commission could discuss with the Treasurer the possibility of his foregoing the interest on the advances the Commission receives from the Treasurer, until such time that the Commission's deficits are eliminated. Another option would be for the Provincial and Federal Governments to

consider giving the Commission an additional grant to cover the imbalance between premiums and claims. The Committee believes that all options should be pursued by the Crop Insurance Commission.

Your Committee, therefore, recommends that:

- 19. The Crop Insurance Commission should actively pursue all options that will stabilize its financial situation.**

In reviewing the 47 different regulations that govern the various crop insurance plans, the Committee was struck by the fact that there is considerable overlapping of the provisions from one plan to the next. In view of this fact, the Committee feels that the regulations for each plan could be consolidated and streamlined, thereby simplifying the forms and contracts. This would be a boon to the Commission in administering the plans and more understandable to the Commission's clients.

Your Committee recommends that:

- 20. The Crop Insurance Commission seek to consolidate and streamline the regulations governing the individual crop insurance plans.**

Another matter the Committee wishes to raise is the policy of the Crop Insurance Commission not to provide insurance plans for those farmers whose lands may be separated, with each parcel located some distance from the other. The Commission, in arriving at the 'average yield' for that individual farm, will include all the sections that a farmer harvests. The Committee feels that this policy could be inequitable for many farmers, since the conditions affecting an individual parcel of land at some distance from another parcel of land may be different over a long term period. Yet, if the land is farmed as part of one operation the 'average yield' will be calculated on the basis that all parcels of land are adjacent and so are subject to the same conditions. In the Committee's view, farmers should be able to obtain insurance for each separate crop on different parcels of land.

Your Committee, therefore, recommends that:

21. The Crop Insurance Commission undertake to establish an insurance scheme whereby those farmers who have crops planted over several parcels of land can buy separate coverage for each parcel.

Under the provisions of the various insurance plans, insurance is provided against various natural hazards such as drought, hail, flood, etc. The Committee believes that the option should exist for farmers to acquire insurance where crops have been damaged by wildlife, such as deer.

Your Committee, therefore, recommends that:

22. The Crop Insurance Commission investigate the possibility of providing insurance against crop damage caused by wildlife.

THE ALCOHOLISM AND DRUG ADDICTION RESEARCH FOUNDATION

The Standing Committee on Procedural Affairs has decided to review the Foundation for a second time. The first time was in 1978 when the former Committee discerned that the Foundation was experiencing some difficulty in determining its future role and functions. In view of this, the Committee recommended that the Ministry of Health conduct a review of the Foundation and its various roles and functions. Given this recommendation and the circumstances which prompted it, the present Committee is taking this opportunity to review the activities of the Foundation in order to evaluate the progress the Foundation has made in resolving the issue of its future role and direction.

The Foundation was created in 1949 as the principal government agency responsible for reducing the problems associated with alcohol abuse. To the extent that one agency was given the responsibility to deal with one health issue, the Foundation was somewhat unique. Over the years several amendments have been made to the original legislation, including the addition of 'Drug Addiction' to the title, reflecting the Foundation's broader mandate. Over the last decade or more, the Foundation has been the subject of various studies, reviews and evaluations centering on the question of what role the Foundation should play and how it could best serve the community. In 1969 a 'White Paper' issued by the Foundation dealt with several issues, but in particular the question of whether the Foundation should be actively involved in providing treatment services on a province-wide basis or whether this should be left to other agencies. The conclusion reached in agreement with the Ministry of Health was that the Foundation would phase out its treatment centres and would concentrate instead on developing its educational and research programs and would operate only a limited treatment centre in Toronto to serve research and the training of professionals.

In 1975 Horace Krever, Q.C., was asked to conduct a study of the Foundation with respect to its organization, operations, management policies and conditions of employment. The Krever Report made a number of recommendations dealing with the internal management and administration of the Foundation, and in addition asked that the Board of the Foundation establish a clear statement of its goals, policies and priorities.

In 1978, the Marshman Report was commissioned by the Foundation to deal with some of the issues raised in these earlier reports. As a result of the Marshman Report, an 'Action Plan' was adopted by the Foundation that recommended that treatment systems be based at the community level with the development of client assessment capabilities, primary care resources, alternate community living arrangements and after-care services. This system would operate in conjunction with existing health and social services, such as detoxication centres, halfway houses, out-patient and day-care programs. The emphasis of the 'Action Plan' would be on out-patient care.

The Foundation's 'Action Plan' forms the basis of its treatment services and is included in the Foundation's goals.

The Foundation's enabling legislation sets out that its objects and powers are:

- (a) to conduct and promote a program of research in alcoholism and addiction; and
- (b) to conduct, direct and promote programs for,
 - (i) the treatment of alcoholics and addicts,
 - (ii) the rehabilitation of alcoholics and addicts,
 - (iii) the experimentation in methods of treating and rehabilitating alcoholics and addicts, and
 - (iv) the dissemination of information respecting the recognition, prevention and treatment of alcoholism and addiction.

In order to attain these objectives, the Foundation can:

- (a) establish, conduct, manage and operate hospitals, clinics and centres for the observation and treatment of and for consultation with alcoholics and addicts; and
- (b) enter into agreements,
 - (i) with hospitals and other institutions for the accommodation, care and treatment of alcoholics and addicts, and

- (ii) with universities, hospitals and other institutions for the experimentation in methods of treatment of alcoholics and addicts.

In addition, the Foundation is given authority to make grants to further its objectives, make by-laws to better expedite its affairs, to acquire by purchase or lease any land or buildings, construct buildings and acquire equipment, appliances and other necessary materials and things. With respect to taxation, the Act exempts the Foundation from any assessment and taxation.

As we have seen, the Foundation has gone through a number of years of soul-searching with respect to its future role and direction. The outcome of that soul-searching was the elaboration in 1982 of a revised and updated set of goals for the 1980s. These goals are as follows:

1. To support the development by various levels of government, but especially the Government of Ontario, of an alcohol control policy and regulatory measures which take into account public health aims;
2. To determine and improve the effectiveness and efficiency of treatment for individuals who have problems associated with alcohol use;
3. To increase the knowledge needed for the development of methods to prevent or ameliorate problems arising from the use of drugs, and to develop and test methods to achieve abstinence or less hazardous use. Particular attention will be given to cannabis, tobacco, and benzodiazepines;
4. To develop and conduct treatment programs that are models for the health care system and to offer to all individuals with alcohol- and drug-related problems presenting to the Clinical Institute, primary care, comprehensive sociobehavioral and medical assessment, specialized treatment (as indicated, and including referral to existing community treatment programs), and aftercare;
5. Through collaboration with District Health Councils and other relevant agencies to establish on a province-wide basis community-based systems for the comprehensive management (including identification, assessment, primary care, referral, specialized treatment when indicated, and follow-up) of individuals with alcohol- and drug-related problems;

6. To increase the effectiveness of identification and referral for assistance of individuals in Ontario's workforce whose alcohol- and drug-related problems are interfering with their work performance;
7. To improve the knowledge base needed to reduce the prevalence of alcohol- and drug-related traffic accidents;
8. To increase the knowledge and skills of professionals and other workers with respect to prevention, treatment, and research in the alcohol and drug field, through the development and operation of education and training programs;
9. To increase public knowledge and awareness of the effects of alcohol and drugs, the health, economic, social, and other consequences of their problematic use, and to encourage the adoption of preventive measures through the identification of public health benefits;
10. To contribute to the development of national and international strategies for the control of alcohol and drugs, and for the prevention of alcohol- and drug-related problems.

The Alcoholism and Drug Addiction Research Foundation is created as a corporate body composed of seven to twenty members appointed by the Lieutenant Governor in Council. At present there are fourteen members including the Chairman. Five members constitute a quorum. The Act does not specify the length of appointments and under what conditions Foundation members can be removed.

The Act gives the Foundation the authority to employ a director and any other personnel required by the Foundation. It is interesting to note that the Foundation has created the position of President in addition to seven Directors who are responsible for the various divisions of the Foundation. These divisions are:

Administrative and Support Services Division,
 Regional Programs Division,
 School of Addiction Studies,
 Social and Biological Studies Division,
 Education Resources Division,
 Clinical Institute Division,
 Personnel.

The overall permanent staff complement of the Foundation is 671.

The Foundation is also given authority to employ the services of experts. In 1982-83, ninety consultants were employed by the Foundation, though most did not receive any remuneration from the Foundation.

One of the divisions of the Foundation, a separately constituted teaching hospital known as the Clinical Institute exists with its own Board of Directors, which in fact is a committee of the Foundation. The Clinical Institute is a 63 bed research and teaching hospital that has both out-patient and in-patient programs. The Clinical Institute along with the Division of Social and Biological Studies constitute the principal research divisions of the Foundation, investigating the biological, behavioural and social dimensions of alcoholism and drug addiction. There is also a School for Addiction Studies providing courses to professionals who work in the field. Associated with the University of Western Ontario is a Regional Research Centre, and 29 regional offices across the Province provide assistance to local communities in developing community-based services for the prevention and treatment of alcohol and drug abuse, including public education and employee assistance programs.

The Act also creates a professional advisory board composed of medical practitioners, scientists and such other persons as the Foundation, with the approval of the Lieutenant Governor in Council, may appoint. At present there are fifteen members on the board. Although the advisory board is a legislated advisory agency, it has been subject to sunset review as all advisory agencies are under the Manual of Administration guidelines. The board was subject to such a review in 1983 when the conclusion was reached that because the members provide invaluable expertise, it should be continued until the next sunset review in 1985.

Under the Act, the Foundation can receive funding from monies appropriated by the Legislature and from any other source. The Foundation's principal source of income comes from the Ministry of Health in the form of an annual grant. In the last three years those grants have been as follows:

1982-83	-	\$	26,406,820
1981-82	-	\$	23,756,085
1980-81	-	\$	21,472,562.

In addition, the Foundation has realized revenue as a result of donations, property rental, printing services, consulting services, information fees, tuition fees, research grants, out-of-province sale of educational materials and food services. In the last three years, this revenue has totalled \$1,601,085 for 1982-83, \$1,402,451 for 1981-82 and \$1,209,723 for 1980-81. On the other hand, the Foundation's net expenses for those years came to:

1982-83	-	\$	25,616,496
1982-81	-	\$	23,504,277
1980-81	-	\$	21,511,760.

These figures would indicate that the Foundation has been able to manage its finances within the amounts provided by the Legislature. This is not to suggest that all is well. In 1982, the Foundation made the following remarks with respect to the grants it receives.

The Foundation's grant each year since 1976 has averaged 2.9% per year less than inflation. Thus, the Foundation's purchasing power in 1980-81 is approximately \$2.8 million less than in 1976-77. Furthermore, as shown in last year's budget presentation a continuing shortfall from inflation of 2% a year for the next five years would result in an accumulated deficit of more than \$8 million if present commitments were continued, and the 1980-81 complement maintained.

It has seemed prudent to budget in such a way as to always maintain a general reserve as protection against error in forecasting income and inflation. This has been done each year with the size of the general reserve being between \$300,000 and \$900,000 at the beginning of each fiscal year. The latter represents approximately 3.5% of gross budget.

A constant concern, however, has been the disposition of government to look on reserves as funds unnecessary to the Foundation while being unwilling to cover deficits in the event of over-expenditure.

Within the five divisions - Social and Biological Studies, the Clinical Institute, Regional Programs, Education Resources, and the School for Addiction Studies - the Foundation undertakes various program functions under such headings as research, treatment and education, as well as community development. In what follows, brief descriptions will be provided of the activities under each heading.

The research component of the Foundation's activities are divided into two areas - treatment research and program development. Treatment research which is conducted at the Clinical Institute has as its principal objective the study of how to improve the effectiveness and efficiency of treatment of alcohol and drug abuse.

Examples of the kinds of research that have been undertaken would include the following:

- Alcohol Relapse Prevention,
- Patterns of Alcohol Use over time,
- Neuropsychological Studies of Alcoholism and Drug Addiction,
- New Treatments for Alcoholism,
- Tobacco and Smoking Research,
- Benzodiatetine Research,
- Research on Alcoholic Liver Disease,
- Alcohol and Drug Induced Brain Damage,
- Development and Implementation of Employee Assistance Programs.

The Foundation's highest priority is to study alcoholism and tobacco dependence, with research on opiate/opioid dependence having a lesser priority.

In the area of program development research, the Foundation has conducted studies with respect to such matters as:

- Occupational Programs Research,
- Drinking-Driving Research,
- Research on Drug Control methods,
- Studies of Sex Differences in Alcohol and Other Drug Related Problems.

The Foundation's research programs are largely done internally, though the Foundation has provided long-term financial support for two pharmacological research programs at the University of Toronto. In 1982-83 the Foundation committed 29% of its budget to research or 38% if other related support services are included.

In 1981, the Report of the External Evaluation Committee on the research activities of the Foundation concluded that, while various improvements could be made, the Foundation's research programs were of the highest quality. The Report stated:

With a relatively modest budget, it [the Foundation] has consistently conducted high quality investigations, many of them in breakthrough areas and has attracted scientists of high rank to a field of study not noted for its glamour. ARF is the premier addictions research organization in the world today.

Since 1969, the Foundation has concentrated its treatment services within the Clinical Institute rather than by developing a province-wide treatment delivery system of its own. The Clinical Institute is a teaching hospital affiliated with the University of Toronto, and is designated a 63 bed Group L Hospital under the Public Hospitals Act.

The treatment services within the Clinic center on such programs and units as the following:

- Primary Care Unit,
- Assessment and Follow-up Unit,
- Out-Patient Therapy Program,
- Abstinent Lifestyle Treatment Program,
- Employed Problem Drinkers Program,
- Young Drug Users Program,
- Sociobehavioural In-Patient Unit,
- Drug Therapy Program,
- Detoxication Unit,
- Family and Community Medicine and Ambulatory Services,
- Emergency and Walk-In Department,
- Medical Ward,
- Volunteer Services.

As has been mentioned, the Foundation in 1969 discontinued providing direct treatment services on a province-wide basis. It continued to provide treatment services at its Clinical Institute, but integrating these services into its overall research and professional education as only part of its overall research programs. Instead the Foundation instituted a plan under the Regional Programs Division to encourage the establishment of treatment services by various agencies in the local community. This is a province-wide program that operates in 27 communities in close collaboration with nearly all of the Province's District Health Councils. Acting in an advisory, coordinating and treatment training role the Foundation seeks to establish 1) a community-based system of alcohol and drug treatment services which will utilize existing health care and social services; 2) patient assessment and primary care capacities as parts of the system; 3) out-patient treatment services, with access to in-patient care if it is necessary.

Moreover, another aspect of the Foundation's treatment program is its Employee Assistance Recovery programs that are directed at business, industry, labour and government. These services seek to assist Ontario businesses and industries in developing policies and programs to assist employees who have or are likely to experience addiction problems.

The Foundation's Education Resources Division is responsible for providing information to the public as well as to those experts involved in alcohol and drug addiction matters. The activities within this division include preventive education that seeks to alert people to the consequences of alcohol and drug use, to influence people's attitude about supporting further liberalization of alcohol and drug use, and to ensure that the public is aware of what services are available to help them. In order to fulfill this function the Foundation develops educational materials, whether in the form of print, audio, video computer and other informational services such as the Foundation's monthly publication, The Journal, which has a distribution of 200,000. The public educational programs have as their targets such groups as pre-adolescents, adolescents and young adults, federal and provincial governments, statutory foundations, educational television, opinion makers, the mass media, and regulatory bodies of the mass media.

Also within its Education function, the Foundation has professional education and training programs carried out by the various divisions of the Foundation. Thus, professional instruction is provided at the School for Addiction Studies which trains the Foundation's own staff, as well as community professionals, faculty and students of health-related divisions of Ontario universities and colleges, and students and professionals from other countries. The Clinical Institute also provides training for undergraduate and graduate students from the health care field. The Regional Programs Division is also actively involved in educational and training development through the Divisions network of 31 offices across the Province. The programs under this division are centered on District Health Councils, employers, schools, parents, hospitals, social welfare agencies and other interested groups.

As has been already mentioned, the Foundation has been the subject of a variety of reviews, studies and evaluations over the last decades. Such reviews have been initiated to determine the direction the Foundation ought to take with respect to its primary functions of research, education and treatment. This has been particularly important in view of the fact that over the years a variety of addiction services have been introduced by the Government that bear directly or indirectly on the work of the Foundation. The question has been - what role should the Foundation play within the wider framework of addiction services? These issues were recently the subject of a report by Drs. Solandt and Warwick for the Ministry of Health. Their observations and recommendations are summarized as follows:

Recommendation No. 1

That government now adopt a policy in relation to treatment services for alcoholics including:

- (i) endorsement of the elements of the Foundation's Action Plan;
- (ii) assignment of responsibility to the Foundation for expediting the completion of the establishment of all the required assessment-referral services, with appropriate extra funding where necessary;

- (iii) action to increase the effectiveness of detoxication centres and recovery homes within the system, resulting in publication of standards for eligibility for government funding;
- (iv) introduction of incentives and grants for the development of out-patient services in preference to hospital based in-patient services;
- (v) assignment to the Foundation of responsibility for promoting appropriate systematic record keeping for alcohol and drug treatment services throughout the Province.

Recommendation No. 2 - Interagency Relationships

The success of the proposed Action Plan of the Foundation will depend greatly upon good interagency relationships. Cooperation between central government, district health councils, district health units, the Foundation and others is essential. From what we have seen there is a good spirit of cooperation at the community level at present and progress has already been made. Hopefully the process will be facilitated by government endorsement of the Action Plan and by assignment to the Foundation of more direct responsibility for putting the plan into action.

For the purposes of maintaining and improving interagency relationships we recommend:

- (i) that the Government formally recognize that the A.R.F. is its principal advisor on all aspects of policy toward alcohol and drug addiction;
- (ii) that within the Ministry of Health only one assistant deputy minister be responsible for all activities of the Ministry related to alcoholism and drug addiction including the activities of the Foundation;
- (iii) that communication be made easier between personnel in the Foundation and in government who have common interests in alcoholism and drug addiction;
- (iv) that the functions of the Interministerial Committee on Detoxication Centres and Halfway Houses be revived and strengthened so as to facilitate relationships between ministries. It has been suggested that other mechanisms would be more appropriate and effective

than an Interministerial Committee. Better communication that will lead to quicker and more effective decisions and action is the goal. The mechanism that will achieve this most effectively is the one to select. The agencies that must be involved in the consultations include in addition to the Ministries of Health and Community and Social Services, the ARF, the District Health Councils, the Solicitor General, the Attorney General, and the Ontario Police Commission;

- (v) that in the development of any new policies care be taken to foster the cooperation of groups such as Alcoholics Anonymous who play a very important part in the present system of managing alcoholism;
- (vi) that the Foundation consider methods of making its task and its message more visible, through the media, to the public and to the professions;
- (vii) that the Foundation continue its policy of seconding personnel to elements within the treatment system to improve both staff development and communication.

Recommendation No. 3 - The Professional Advisory Board

We recommend:

- (i) that the present functions of the Professional Advisory Board be retained as essential to the efficient functioning of the Foundation. Such functions can be performed by either the Professional Board as at present, or by a new committee of the Foundation, appointed by its members.

Recommendation No. 4 - Financial Considerations

- (i) Revenue from alcohol and the social and direct financial costs of alcohol abuse are steadily increasing. The alcohol abuse management system of which the Foundation is the centre, is an effective means of combatting alcohol abuse. The present level of activity in the Foundation and throughout the system is barely containing the problem. Any reduction in the activities of the system or increase in the use of alcohol and drugs will undoubtedly result in a serious escalation of social problems. The present level of activity must be maintained and plans be made for expansion if and when the need arises.

- (ii) The Foundation should examine the possibilities of non-government funding for research. Donations from business and industry and former alcoholics should be encouraged.
- (iii) The Foundation should be encouraged to retain a modest reserve to permit more flexible planning and reduce the risk of overspending or year end spending to use up funds that have been saved during the year.
- (iv) Funding for detoxication centres should be adequate to provide for at least two staff members to be on duty at all times.
- (v) Each recovery home should have a single source of funding. Funding should consist of a base budget with adjustments for case load. No single per diem formula can be devised since each home will be called on to provide a mix of services especially adapted to local needs as defined by the community, led by the Foundation and the District Health Councils.

The Foundation is designated as an operational agency within Schedule III, and as such has the following characteristics: it is not subject to administrative policies established by Management Board, it can manage its own administrative support services, staff are not appointed under the Public Service Act, and a Memorandum of Understanding is not necessary. On the other hand, the Foundation is subject to financial scrutiny by the Ministry of Health. The Foundation would appear to operate at 'arms length' from the Ministry of Health and the Government. However, it does maintain a communicative link with the Ministry through a liaison committee composed of an Associate Deputy Minister, an Assistant Deputy Minister, the President of the Foundation and the Director of the Social and Biological Studies Division. The Foundation also has links with the Ministry's Institutional Services Administrative Team for Special Service Facilities, and the Foundation maintains consultative relationships with the Ministry in regard to the detoxication centres, assessment and referral services, and with the Public Health Research and Development Program Advisory Committee.

The Foundation is audited by the Provincial Auditor and the Foundation is required to produce an annual report which is laid before the Assembly.

Recommendations

When the Committee last reviewed the Foundation in 1978, it expressed concern that the Foundation lacked direction in determining its roles and functions, and recommended that the Ministry of Health undertake to initiate a review and evaluation of the Foundation. This the Ministry did by engaging Dr. D.M. Solandt and Dr. O.M. Warwick to prepare a report assessing the various functions of the Foundation. Their report issued in 1982 made a number of recommendations including the Foundation's approach to treatment services, as embodied in its 'Action Plan'; the role of the Foundation within the Government's overall approach to alcoholism and drug addiction; and the issue of funding. While the Committee supports the main thrust of those recommendations, it does wish to comment on and highlight specific concerns, some of which may depart from the recommendations of the Solandt and Warwick report.

The Committee, for example was interested in the Foundation's 'Action Plan' as it relates to the establishment of regional or local offices. The Committee understood that these local offices of the Foundation would not provide any active treatment services, but would seek to coordinate and develop existing local services in the community. In other words, each of the 27 regional or local offices of the Foundation work with the District Health Councils, the local detoxication centres and recovery homes established by the Government, hospitals, and various social agencies, as well as the local chapter of Alcoholics Anonymous, to ensure that those with a drinking or drug problem receive appropriate treatment. While the Committee can appreciate that there is need for coordination of community services, it is less clear as to which agency should do the coordination. In the Committee's view, this responsibility should rest with the Ministry of Health and the District Health Councils. While the Foundation should retain its Regional Program Division to provide advice to local communities, the Committee feels that the Foundation's regional or local offices should be phased out.

Your Committee, therefore, recommends that:

23. The Ministry of Health and District Health Councils accept responsibility for ensuring the provision of alcohol and drug treatment services in local communities, and that the Foundation phase out its local or regional offices.

It is the Committee's view that the Ministry of Health has not established a clear role for itself in the area of alcoholism and drug addiction. The Ministry needs to develop a plan and policy with respect to how the Government of Ontario and the appropriate ministries and agencies, will deal with the issues of alcoholism and drug addiction. The Committee believes that the Ministry should rely on the Foundation's accumulated knowledge and expertise in this area and that it should consider the Foundation's Action Plan as the starting point for setting its priorities in this area.

Your Committee recommends that:

24. The Ministry of Health, in conjunction with the Alcoholism and Drug Addiction Research Foundation, establish a comprehensive alcohol and drug addiction policy for Ontario.

When determining its alcohol and drug addiction policy, the Ministry of Health should consider its role and that of the Ministry of Education in the dissemination of information on the problem to the public. The Committee feels that information dissemination to the public in general and to children in particular would be more effective if these two Ministries assumed specific responsibilities for dissemination of information relating to alcoholism and drug addiction.

Your Committee, therefore, recommends that:

25. The Ministry of Health and the Ministry of Education assume greater responsibility for the dissemination of information relating to alcoholism and drug abuse.

With respect to the question of funding, the Committee wishes to encourage the Foundation in seeking financial support from the private sector, particularly from those companies involved in the production of alcoholic beverages and tobacco products. The Committee feels that these companies need to accept some measure of social responsibility in funding the research programs of the Foundation.

Your Committee, therefore, recommends that:

- 26. The Alcoholism and Drug Addiction Research Foundation actively pursue funding for its research from the private sector.**

The Committee finally wishes to comment on the Foundation's practice of conducting surveys on the incidence of alcohol or drug use in the Ontario population, particularly among high school students. It is the Committee's impression that such surveys may at times be misleading. For example, a typical survey may show that the incidence of alcohol, tobacco or drug use among high school students is on the rise. Parents looking at these results may assume that their children are part of the survey and will conclude that their children are using alcohol, tobacco or drugs. A closer analysis of the Foundation's surveys may reveal that in some schools this may in fact be the situation while in others it may not. The Foundation has a policy of not revealing the individual schools which were part of the survey or the specific results for a particular school. The Committee feels that in presenting its data to the public it thoroughly explain its survey techniques and methodology to the media in order that its published reports of the Foundation's surveys can be placed in a proper perspective.

IDEA CORPORATION

The IDEA Corporation was established in October, 1981 as part of the BILD program to reinvigorate industrial development in Ontario. When introducing the bill to establish the IDEA Corporation, the then Treasurer outlined the Government's reasons for establishing the Corporation. He stressed that studies had demonstrated that research-intensive manufacturing industries with high levels of research and development spending achieve superior performance in employment and productivity growth and price performance. As its name suggests, the Corporation is to promote innovation development for employment advancement and is a key element in the Government's strategy to enhance the long-term growth and employment prospects for Ontario.

More specifically, the Corporation's role would be to help the development and commercialization of new scientific discoveries, by acting as an entrepreneurial catalyst with power to make grants, loans, guarantees or purchase equity. Moreover, it will be authorized to participate in the ownership, licensing, royalties or use of any industrial property flowing from research and development undertaken by the recipient. In other words, the Corporation would be expected to earn a return on its investment.

The IDEA Corporation Act establishes the Corporation without share capital with a Board of Directors consisting of not fewer than five and not more than fifteen members, appointed by the Lieutenant Governor in Council for a term of three years. The legislation also stipulates that the Directors must be selected from among representatives of industry, labour, universities and government. There are at present fifteen directors - seven from industry, four from the universities, two from labour and two from government. One of the Directors is made the Chairman, while another is made President and Chief Executive Officer. There is also the provision that each of the Directors may be reappointed to an indefinite number of three year terms.

The Act provides for the election of an executive committee, composed of three Directors including the Chairman, that can be given all the powers of the full Board. In addition, the Corporation has created the Proposals Review

Committee which is given the responsibility to review all prospective investments and consists of the President and four Vice-presidents. The latter oversee four divisions of the Corporation: the Finance division which controls the financial affairs of the Corporation and analyzes the financial implications of proposed projects and monitors the performance of investments; the Technology division analyzes the technical and scientific merit of proposed new investments and monitors the technical progress of new projects; the Marketing division assesses the market potential of new projects, identifies market opportunities and advises those companies to which the Corporation has contributed funding as to their marketing activities; and the Corporate Affairs division administers the day-to-day operations of IDEA Corporation and provides the Corporation with analyses and recommendations for the Government on public policy issues.

IDEA Corporation's objectives are:

- to promote the process of technological innovation in Ontario, both on a province-wide and a regional basis;
- to bring together the research capacities of the public sector with the commercial and industrial sectors; and,
- to enhance the growth and employment prospects of the Ontario economy, both on a province-wide and a regional basis.

In order to achieve these objectives the Corporation has the power to:

- encourage and promote programs of research, design, development and demonstration of all types of technology applicable to industry and commerce and of economic benefit to Ontario;
- promote and develop cooperation in research and its application among corporations, government, universities, research centres and individuals;

- acquire, develop and deal in industrial property, licences, inventions and processes and the royalties and benefits flowing therefrom;
- promote and improve the capacity of universities to respond to the skill requirements of high technology industries;
- provide advice to the Minister on issues related to the enhancement of technological innovation in Ontario; and,
- do anything that, in the opinion of the Board, can be done advantageously by the Corporation in connection with or ancillary to the carrying out of the objectives of the Corporation as set out in the above clauses.

In line with its organizational structure, IDEA Corporation performs the following three functions. Its first role is to act as a venture capital group investing in innovation and technological development in Ontario. In this role IDEA Corporation will attempt to increase the amount of capital that is available for Ontario venture capital activities. In order to accomplish this task, a major portion of the public monies allotted the Corporation will be directed toward this end. The Corporation will also attempt to attract private sector capital for joint venture arrangements. It is expected that the private sector funds will come from such sources as pension funds, insurance companies and the like.

It is expected that this partnership approach to financing innovative technology will give some leverage to IDEA Corporation's public funds and will provide incentive for the private sector to become involved at an earlier stage in the development process.

These investment monies are to be allocated to one of seven investment funds. Five of these funds will contain monies destined for specific industrial sectors where it is thought research and venture capital opportunities exist and where innovation is expected to bring some benefit to Ontario's economy. The five Technology Funds are:

- IDEA Biological and Medical Technology Fund Inc.,
- IDEA Chemical and Process Technology Fund Inc.,
- IDEA Information Technology Fund Inc.,
- IDEA Machine and Automation Technology Fund Inc.,
- IDEA Microelectronics Fund Inc.

In addition to the five syndicated Technology Funds, which are jointly owned with private sector investors, the Corporation has established two other Funds which are wholly owned by the Corporation. The IDEA Research Investment Fund Inc. is to finance basic research which is not expected to provide an immediate return on investment. This Fund will be repaid by royalties on the eventual value of the research. The other fund, the IDEA Capital Fund Inc., has been established to invest in a broad range of ventures and projects with a longer-term payoff to the Province as a whole.

The responsibility for the management of each of the five syndicated funds will be given to independent private sector fund managers, who are to operate under a clear set of investment criteria. Through these funds, the Corporation will be involved in most, but not all, stages of technology development. It will place greatest emphasis on providing funds to the earlier phases of the innovation development process where capital and management expertise are most needed. The Corporation will not provide funds for the "rapid-expansion" phase when demand for the final product is expected to grow rapidly. It is expected that in this phase the companies would be able to rely on traditional forms of financing, such as the banks, in order to provide the necessary cash flow.

The screening procedure used in selecting projects for funding takes the following sequence of events. An initial screening separates those proposals which appear to have sufficient innovative and market potential to warrant further consideration. In turn, each of these prescreened proposals undergoes a detailed analysis and is then presented to the Proposal Review Committee. The detailed analysis includes a study of patenting opportunities, competition, development costs, market potential, long-range financial and management requirements.

In its role as technology broker, IDEA Corporation attempts to bridge the gap between the research and development of technology and its commercial application. In order to accomplish this task, the Corporation will seek out commercial inventors for new technology identified as having sufficient innovation and market potential to warrant further development, production and marketing. The Corporation will offer its services on a fee-for-service basis, but will help new companies attract financing if required.

As a technology broker, the Corporation will take an active role in reaching into the Province's universities for their ideas and innovations. Moreover, the Corporation is not limiting its technology identification function solely to Ontario. It is currently pursuing several innovations conceived in Europe for commercial development in Ontario.

In its advisory role, IDEA Corporation will help develop public policy with the aim of enhancing productivity and advising the Government on the social impact of technological innovation in Ontario. The Corporation intends to educate the public toward understanding the importance of IDEA Corporation's initiatives. In this endeavour the Chairman of the Board has stated his desire to have policy makers give a greater priority to the long term necessity of technological innovation for our society. He suggests as well that there will be a reorientation of the public's attitude toward believing economic growth is possible through innovation, and through retraining the unemployed toward the requirements of a technologically restructured economy. He suggests that one of the requirements for this restructured economy is an adaptable labour force that is willing to be retrained.

In order to fulfill its mandate, IDEA Corporation has been allotted a total of \$107 million in public funds from the Board of Industrial Leadership and Development for the five year period from fiscal year 1983 to fiscal year 1987. By fiscal year 1988, IDEA is expected to be financially self sustaining and able to operate solely on the income from its investments. The IDEA Research Investment Fund Inc. and IDEA Innovation Fund Inc., which focus their funding on the R & D and prototype stages of the innovation development process, have each been allotted \$13 million to be drawn on over

a five year period commencing in fiscal 1984. The five Technology Funds, which direct their attention to the start-up, operational and profitable stages of the innovation process, have been provided with \$13 million each for a total of \$65 million to be drawn on through the fiscal years 1983 to 1986.

The Province has committed funds to IDEA Corporation on the following schedule:

	<u>1982/83</u>	<u>1983/84</u>	<u>1984/85</u>	<u>1985/86</u>	<u>1986/87</u>	<u>TOTAL</u>
(In \$ Millions)	11.7	35.0	30.4	21.5	8.4	107.0

Of the \$10 million in equity the Province of Ontario committed for the fiscal year 1983, \$5 million was received by 31 March 1983, and invested in the IDEA Biological and Medical Technology Fund Inc. Subsequent to 31 March 1983, the Corporation received \$15 million in investment funds which were equally shared among IDEA Chemical and Process Technology Fund Inc., IDEA Information Technology Fund Inc., and IDEA Microelectronics Fund Inc.

In October, 1983, IDEA Corporation announced its first financial commitments totalling \$7.5 million to the following projects:

- Ansam Synergistic Technologies Ltd. a private sector company has been allotted \$6 million, subject to the company raising \$8.4 million from other sources, to finance technology ventures in industrial automation. To date, Ansam has invested in Bailey and Rose Ltd., a company which specializes in computer-assisted learning, software productivity tools and custom software; Emcon Sensor Technology Inc. is developing an intelligent "smart sensor" for chemical manufacturing, metal refining and processing, and pharmaceutical, food and beverage production; Perceptikon Systems Inc., a robotics company, is designing a three-dimensional vision system for robots;
- Queen's University is involved in a project that has commercial application in treating congestive heart failure and hypertension;

- University of Western Ontario has invested in research to develop methods to synthesize compounds for selectively depositing metals in electronic circuit manufacture;
- RMS Industrial Controls Inc. is to expand production of RF microwave thin film components.

The Board of Directors is charged with the responsibility of managing the affairs of the Corporation in accordance with the policies of the Government relating to technology, research and development, and innovation. The Board is required by statute to comply with any directives it receives from the Lieutenant Governor in Council, or the Minister of Industry and Trade, with respect to achieving its objectives or exercising its powers. The Lieutenant Governor in Council also has the power to review the Corporation's investment activities and make regulations regarding the termination of its affairs and the transferring of all assets, rights and obligations of the Corporation to the Government of Ontario.

An annual report is to be delivered to the Minister of Industry and Trade, who is then to submit the report to the Lieutenant Governor in Council and to the Assembly. The Corporation is also required to submit additional reports to the Minister upon his request. The Corporation's governing statute contains a clause that requires the Board, once every third annual report, to justify the Corporation's existence and report to the Minister of Industry and Trade on whether or not it should continue to exist.

IDEA Corporation is required by statute to have its accounts and financial transactions audited annually by the Provincial Auditor and to have the report submitted to the Minister of Industry and Trade. The seven investment funds, set up as subsidiaries, are not audited by the Provincial Auditor. They are instead audited by external auditors.

The Corporation's Memorandum of Understanding with the Ministry of Industry and Trade is still in its draft stage.

One of IDEA Corporation's roles is to coordinate technological innovation within the Province of Ontario. In this role the Corporation will attempt to establish close ties with the research and development activities of both private and public sector institutions. In the private sector, it will attempt to enter into joint venture arrangements to develop and commercialize innovative technology. In the public sector it will investigate what each public institution is doing in the way of research and development and then try to influence the direction of those activities. In this role the Corporation will take on the added task of identifying and determining the extent of overlapping that exists in these research and development activities, including overlapping with its own activities.

The one set of public institutions that are related to IDEA Corporation are the technology centres. Each centre specializes in one of the following six areas: microelectronics; computer-aided design (CAD) and computer-aided manufacturing (CAM); robotics; resource machinery and equipment; auto parts; and farm equipment and food processing. Their primary mandate, as described by the former Minister of Industry and Trade is "to adapt and demonstrate technology useful to both industry and commerce and to advise industry on how best to apply this technology." The interrelationship between IDEA Corporation and the technology centres is expressed by the former Minister as follows:

IDEA Corporation has the responsibility to approve funding for external research and development activities associated with the centres. When suggestions come from the technology centres for basic research to be conducted on a new piece of technology, they will be forwarded to the IDEA Corp. for consideration. In this way, there will be a regular two-way flow of information between the IDEA Corp. on the one hand and the technology centres on the other, with respect to their complementary but separate functions.

The former Minister further clarified the interrelationship with the following statement:

The IDEA Corporation intends to get a handle on that (the R&D activities and the funding available to universities) and to have some relationship, coordination and co-operation with

that kind of funding so that, first, it knows where all the research is going in the province and, second, to have its own direct involvement with research. Then it will perhaps take that research idea and run it through a technology center to have that technology center then bring it into process. The technology center will go out to find somebody to take the process to put it into being.

Both IDEA Corporation and the technology centres report to the Minister of Industry and Trade and must submit an annual report and any additional reports to the Minister.

Another of the public institutions which IDEA Corporation is closely linked to is the Ontario Research Foundation. For the most part, its research activities are of an applied nature as opposed to basic research. It provides engineering and technological support to industry and government on a fee-for-service basis. Its capabilities range from routine testing to innovative research and development of new products and processes. The close relationship between the O.R.F. and IDEA Corporation partially stems from the overlapping membership of the two Boards.

Recommendations

Created in 1980, but becoming operational in 1982, the IDEA Corporation has been given a mandate to invest public money in new technology, particularly at the early stages of innovation and development. Moreover, it has been given authority to enter into joint ventures with private sector companies using the five funds discussed earlier. It can be said that the Corporation straddles the line between the private and public sectors. In so doing the question arises as to whether the Corporation should operate by rules established for government agencies or by those operating in the public sector. The issue is more than of academic importance as far as the Committee is concerned, for the matter raises the problem of accountability of Crown Corporations operating largely in the private sector at 'arms length' from government. Specifically, the issue is whether the contracts and agreements between the IDEA Corporation and the private sector companies with whom the Corporation is in partnership should be public and accessible to

members of the Legislature. While this issue was raised in the course of the Committee's review of IDEA Corporation, the problem may not be exclusive to this particular Crown Corporation, but could potentially exist with all Ontario Crown Corporations.

As a general principle, all members of the Committee concurred that as legislators exercising their constitutional responsibilities to ensure the accountability of government they had a right to ask for and receive all relevant information with respect to Crown Corporations. However, the Committee recognized the practical difficulties that may arise in adopting this principle in practice. Thus, the Committee notes that there are no established guidelines with respect to the kind of information Members can expect to receive from Crown Corporations, and if there were guidelines, as, for example, those established in a Freedom of Information Act, whether they should apply to Members of the Legislature and legislative committees. Moreover, there are no guidelines for Members or committees with respect to whether information they receive in the course of their legislative duties can be made public or used for their own benefit. For example, it is possible that Members could obtain commercial information that could be used by them for their own financial advantage. Ontario, at present, has no conflict of interest guidelines or statute that would apply to private Members of the Legislature.

In raising these matters, the Committee wishes to point out the complexity of the issues involved, and the fact that it is not in a position to deal with these issues in the course of its review of one particular Crown Corporation. It, nevertheless, believes that these issues should receive serious and immediate attention. Consequently, it proposes that the Assembly give the Standing Committee on Procedural Affairs a special reference to deal with the issues of legislative access to information in the possession of Crown Corporations.

Your Committee, therefore, recommends that:

27. The Legislative Assembly of Ontario give the Standing Committee on Procedural Affairs a special reference to study the issue of legislative access to information in the possession of Ontario's Crown Corporations.

Where the expenditure of public funds are involved, as is the case with IDEA Corporation, it is vital that elected officials have a clear understanding of how that money is being spent.

The Committee, therefore, wishes to state that there should be strong accountability links between the Corporation and the Ministry of Industry and Trade. In particular, when the Corporation has decided to fund some project, the Minister should receive those contracts in order to satisfy himself that such an investment in public funds will bring benefit to the people of Ontario. This requirement, the Committee believes, should be part of the Corporation's Memorandum of Understanding with the Ministry of Industry and Trade.

Your Committee, therefore, recommends that:

28. The IDEA Corporation's individual contracts be reviewed by the Minister of Industry and Trade as a matter of policy. This requirement should be part of the Corporation's Memorandum of Understanding with the Ministry of Industry and Trade.

Under the IDEA Corporation Act, the Corporation is required to review its mandate every three years and to make its report to the Minister. The Committee believes this is an important provision that asks the Corporation to assess its mandate and operations. As part of that three year review, the Corporation should be required to evaluate its effectiveness in promoting innovation in new technologies and in producing new jobs. Once completed and reviewed by the Minister, this report should be tabled in the Legislature so that the Members may have the opportunity to assess whether the Corporation should continue with its mandate.

Your Committee, therefore, recommends that:

29. The Minister of Industry and Trade table in the Legislature the IDEA Corporation's three year review of its mandate.

Moreover, as part of that review, the Corporation should include a section which analyzes whether and to what extent the Corporation's mandate overlaps with that of the Technology Centres, the Ontario Research

Foundation, the Development Corporations, including the Small Business Development programs, and the Ontario Energy Corporation. The Committee perceives that a potential exists for overlapping on the one hand, and lack of coordination on the other. In order that the public funds that are provided to each of these corporations be used effectively, the Ministry of Industry and Trade should undertake a comprehensive evaluation of these various agencies to see whether increased efficiency and effectiveness can be achieved by reducing overlapping and increasing coordination.

Your Committee recommends that:

30. The Ministry of Industry and Trade undertake a study of the role and functions of the IDEA Corporation, the Technology Centres, the Ontario Research Foundation, the Development Corporations and the Energy Corporation. Such a study would have as its objective the elimination of overlapping functions, and the increased coordination of remaining functions.

Finally, the Committee in listening to the testimony of the officers of the Corporation was not able to ascertain what the Corporation's expectations were with respect to the creation of jobs in Ontario. While the Committee appreciates that such figures would be hard to obtain, it, nevertheless, believes that the Corporation's fund of \$107 million over five years should lead to the creation of tangible employment opportunities. The Committee feels that this is of considerable significance in view of the fact that the creation of new job opportunities is the Corporation's ultimate objective.

Your Committee, therefore, recommends that:

31. The IDEA Corporation include in its annual report not only a description of its investments, but also some indication of how many potential job opportunities those investments will realize.

BOARD OF FUNERAL SERVICES

The Board of Funeral Services was established under the Funeral Services Act of 1976 to regulate the activities of funeral directors and their establishments. The Board also administers the P rearranged Funeral Services Act, which empowers the Board to regulate prepaid funeral service arrangements. The Board is a self-regulating professional body whose main purpose is to ensure that professional standards of conduct and practice are maintained.

The Funeral Services Act also creates the Funeral Services Review Board. Although the same legislation sets up both the 'Board' and the 'Review Board', they are two separate entities with separate responsibilities and separate memberships. The Board regulates the activities of funeral directors. The Review Board hears appeals from Board decisions.

The Act requires the Board of Funeral Services to be composed of eight members. Five of the eight members are funeral directors, one of whom is not licensed to operate a funeral service establishment, and three are lay persons. All members are appointed by the Lieutenant Governor in Council. The members may be appointed for two terms of three years each. Seven of the eight memberships lapsed on 27 November 1983. Two of the seven were reappointed for a second term, leaving vacancies for five new appointments. The Board has a full time staff of three: a Registrar, an office person, and a lawyer on a full-time retainer. The Registrar performs the day-to-day activities the Board delegates to him. These duties include the inspection of funeral establishments and trust fund arrangements.

The Funeral Services Act stipulates that four committees must be set up to deal with the activities of the Board. They are:

- an Executive Committee to perform the administrative duties delegated to it by the Board;
- a Licensing Committee to review applications for funeral director and to set examinations for licensing;

- a Complaints Committee to investigate, consider and take action regarding the conduct or actions of a funeral director; and,
- a Discipline Committee to hold hearings to determine allegations of professional misconduct or incompetence and to determine penalties for proven allegations, or to reimburse accused for costs if allegations are unfounded.

Each committee is composed of three Board members. As a matter of practice, there is no overlapping membership between the Complaints and Discipline Committees. The Act also allows the Board to set up other committees. In consultation with the Ministry of Consumer and Commercial Relations, a 'Legislative' Committee was set up in 1982 to review and propose amendments to the Prearranged Funeral Services Act.

Under the Funeral Services Act, the Board is empowered to perform the following functions:

- establish, maintain and develop standards of knowledge, skill and professional ethics among funeral directors and funeral service establishment licensees;
- establish, maintain and develop standards of qualification for the practice of funeral directing and for funeral service establishments; and,
- regulate the practices of funeral directors and funeral service establishments;
- administer the Funeral Services Act and perform such other duties and exercise such other powers as are given to the Board under the Act or the regulations.

The Prearranged Funeral Services Act empowers the Board to regulate trust fund arrangements where funeral directors receive monies for prearranged funeral services.

The Funeral Services Act gives the Board the power to:

- make regulations governing licences, fees, professional standards of qualification, hygienic practices, inspection of premises, remuneration of Board members for expenses, and the keeping of records;

- pass or amend by-laws relating to the administrative affairs of the Board;
- determine penalties for proved allegations and order compliance with the Board's directives; where allegations are unfounded the Board may reimburse the accused for their costs;
- review the operation of the Act and make recommendations to the Minister of Health;
- approve or set courses of study and examinations for licensure; review qualifications and impose further conditions for candidates and funeral directors;
- hold hearings to determine allegations of professional misconduct, incompetence or incapacity;
- issue, cancel or suspend a licence; and,
- inspect establishments and if necessary seize material for evidence.

In fulfilling its mandate, the Board engages in a number of activities, relating to education, licencing, disciplinary matters, and inspection of funeral homes. With respect to education, the Board conducts continuing education seminars. In 1982, seminars were offered on such topics as: "Death, Dying and Changing Society", "Public Health Practices", and "Business Decisions in Today's Society". The Board approves courses of study for the qualification of candidates for licensure. Board members are also in contact with Humber College representatives to help set a proper course of study for the practice of funeral directing.

Through the Licensing Committee, the Board reviews applications and sets examinations for licensing and student apprenticeships.

The Complaints Committee of the Board investigates complaints regarding professional misconduct or incompetence which have been received in writing by the Registrar. If the complainant is not satisfied with the Committee's decision, the case may be referred to the Review Board. If the complaint is considered valid then the Committee may refer the case to the Discipline Committee for appropriate action. The Discipline Committee holds hearings to determine allegations and set penalties for proved allegations. Where

a funeral director is believed to be physically or mentally incapacitated, a 'board of inquiry' is set up to hold a hearing and report its finding to the Licensing Committee for appropriate action.

The premises, equipment and facilities of funeral establishments are inspected regularly by representatives of the Board. These inspections include an audit of the books and trust money arrangements.

As for the Board's finances, it has been established as a self-financed corporate entity. The only public funds it receives are the reimbursements from the Ministry of Health for the expenses of the Board's public members.

The excess in expenses over revenues incurred during the past three years has been paid out of a surplus incurred in preceeding years. The surplus has now been depleted and the Board has asked for and received approval from the Ministry of Health for a fee increase to offset future expected costs.

As a self regulating professional agency, the Board is not subject to the administrative policies established by Management Board. It manages its own administrative support services, which include a private audit of the Board's finances. There is no Memorandum of Understanding with either the Ministry of Health or with the Ministry of Consumer and Commercial Relations, for which the Board administers and the Prearranged Funeral Services Act.

The Funeral Services Act places the Board under the Ministry of Health's jurisdiction and gives the Board the responsibility for the day-to-day administration of the Act. The Act stipulates that the Board must deliver an annual report to the Minister of Health, which is then tabled in the Assembly. The Act empowers the Ministry to review any amendments to the regulations and by-laws proposed by the Board.

The Prearranged Funeral Services Act does not outline an accountability relationship between the Board and the Ministry of Consumer and Commercial Relations, nor are there provisions for an annual report on the affairs of the Board to be delivered to the Minister. Currently, liaison between this Ministry and the Board is informal and ad hoc in nature.

Beyond the formal accountability linkages to the Ministry of Health, the Board operates autonomously from and with little administrative support provided by the Government.

Recommendations

In reviewing the Board of Funeral Services, the Committee discussed the question of 'excessive pricing' for funeral services. The Board, while it has authority to deal with instances where funeral directors have charged excessive prices, has not determined in any precise way what would constitute 'excessive pricing'. Where a complaint is received from the public, the Board makes an individual determination on the available information. The Committee appreciates that there would be some difficulty in determining some general price above which costs would be excessive. Nevertheless, the Committee believes that the Board could be more definitive in this regard. It could undertake a study of the issue with those in the profession, with consumer groups and other interested persons. After the completion of such a study the Board could circulate the results to the profession informing its members of what the Board considers 'excessive pricing'.

Your Committee, therefore, recommends that:

- 32. The Board of Funeral Services undertake a study of what constitutes 'excessive pricing' for funeral services.**

Another matter of concern to the Committee was the issue of how the customer learns about the cost of a funeral. The Committee believes that all funeral directors should provide a written itemized list of costs a customer could incur depending on the kind of service he ultimately chose. The customer should not be given only a verbal estimate of the total cost, since when finally billed the customer will not always remember what services he had agreed to. The Committee believes that the Board of Funeral Services should be given the authority to require funeral directors to provide written itemized cost estimates.

Your Committee, therefore, recommends that:

33. The regulations under the Funeral Services Act be amended to give authority to the Board of Funeral Services to require funeral directors to provide written itemized cost estimates of funerals.

A related matter is the issue of what welfare recipients under the General Welfare Assistance Act or the Family Benefits Act should be charged for a funeral by funeral directors and what the Ministry of Community and Social Services will pay. It is the Committee's understanding that the Ministry has a policy of only paying up to a maximum of \$800. Where someone on welfare has incurred higher costs, the Ministry will not compensate any of the costs incurred.

Even with the best intentions of being frugal, a person on welfare, in a state of bereavement, could incur costs that go beyond the maximum allowed by the Ministry. The Committee believes that there should be one standard flat rate for all welfare recipients that is both acceptable to funeral directors and the Ministry of Community and Social Services.

Your Committee, therefore, recommends that:

34. The Ministry of Community and Social Services establish with the cooperation of funeral directors a standard rate for funerals for those receiving social assistance.

Following on this recommendation, the Committee believes that where a standard flat rate has been established for those receiving social assistance, that same rate or cost should be available to the public for the same standard service. In other words, there should be no price discrimination, depending on whether a client is on welfare or not.

35. The Board of Funeral Services establish a policy of requiring funeral directors to make funerals available to the public at the same cost as funerals available to those receiving social assistance.

Under the Funeral Services Act, only licenced funeral directors are entitled to provide funeral services in Ontario. The Committee understands that there is

some difficulty with the definition of what constitutes a funeral service. It would appear that there is nothing to prevent the private burial or cremation of a body or a burial or cremation by a non-profit organization such as a memorial society provided that the service is not similar to that provided by funeral directors. If burials by means other than those provided by funeral directors are to be permitted, the matter to be resolved is whether public health considerations should be made applicable to such funerals as they are for those performed by funeral directors. Under the Public Health Act, public health inspectors can inspect the premises of funeral homes to ensure that sanitary conditions are present. These provisions of the Public Health Act do not appear to apply to those burials not performed by funeral directors. The Committee believes that this is an omission that should be corrected. It suggests that the Minister of Health devise regulations, under s. 9(6) of the Public Health Act, that would provide for the inspection of burials that are not performed by funeral directors.

Your Committee recommends that:

36. The Minister of Health issue regulations under s. 9(6) of the Public Health Act that would provide for the regulation and inspection of funerals other than those provided by funeral directors.

Another issue the Committee wishes to raise is the issue of trust funds under the Prearranged Funeral Services Act. The Act provides that those who wish to pay for a prearranged funeral service can enter into an agreement with a funeral director who is required by law to set up a separate trust fund for that purpose. A serious problem arises, however, when the funeral director spends the money in the trust fund for his own purposes. At present those who are defrauded by funeral directors would have a hard time getting their money back. There is no requirement that funeral directors be bonded or that there be some other form of compensation. Where fraud of this kind has taken place recently, those affected were reimbursed for their losses through voluntary donations made by the profession. This ad hoc approach with no guarantee of reimbursement, the Committee views as unacceptable. It proposes that in future all funeral directors be bonded if they wish to deal with prearranged funerals under the Prearranged Funeral Services Act.

Your Committee, therefore, recommends that:

37. The Ministry of Consumer and Commercial Relations amend the Prearranged Funeral Services Act to provide for the bonding of funeral directors.

III RESPONSES TO THE 7TH REPORT

It has been the practice of the Committee to follow up on its recommendations by asking those responsible for the particular agency reviewed by the Committee to respond to its recommendations. In the 7th Report, the Committee reviewed the following agencies:

Ontario Status of Women Council,
Ontario Manpower Commission,
Ontario Cancer Treatment and Research Foundation,
The Law Society of Upper Canada,
Criminal Injuries Compensation Board.

To date, the Committee has received responses with respect to all the agencies, except the Ontario Status of Women Council.

The Committee recommendations with respect to the Ontario Manpower Commission were reviewed by the Minister of Labour who, in a letter dated 23 March 1984, stated:

I certainly agree with the Committee's overall vote of confidence in the operation and representation of the Commission. Its unique tri-partite composition has given the government the benefit of the members' valuable insight and advice on the full range of manpower issues. I have directed the Commission to fully examine the recommendations of the Committee. I should tell you that the initial perusal was quite positive since the Committee's recommendations revealed some areas of concern which had also been indentified by the Commission as requiring action.

In a further letter to the Committee, dated 23 May 1984, the Minister of Labour indicated that the Committee's recommendations would "form part of a general review of the role and mandate of the O.M.C. in preparation for a 'Sunset Review' by Management Board", and that once this review was completed the Minister would submit his responses to the Committee.

With respect to the Ontario Cancer Treatment and Research Foundation, the response of the Foundation was as follows:

Recommendation

The Ontario Cancer Treatment and Research Foundation give the development and completion of the Cancer Registry project its highest priority.

The Foundation agreed at its meeting on 1 March 1984, "that Ontario Cancer Registry should be a Foundation priority."

Recommendation

The proposed Role Study of the Foundation and its activities be undertaken and that the relationships between the Foundation and the Cancer Society and the hospitals, particularly teaching hospitals, be included as part of the study.

The Foundation states that "The consortium of Currie, Coopers & Lybrand and Resources Management Consultants Ltd. has been appointed to examine the current and future roles of these organizations." The study is expected to be completed by September 1984.

Recommendation

The Foundation seek to establish a cancer clinic in Northeastern Ontario at the earliest opportunity.

The Foundation has indicated that:

The consulting firm of Woods Gordon Ltd. was selected by a joint Planning Committee representing the Ontario Cancer Treatment and Research Foundation, the Ontario Cancer Institute and the Laurentian Hospital of Sudbury to undertake a Role Determination Study of Cancer Services in Northeastern Ontario. The first phase, the Role Study was completed in January 1984. The next phase of the planning process, the Master Program, will commence shortly.

Recommendation

The Ontario Cancer Treatment and Research Foundation coordinate a continuing educational campaign directed at children at the elementary school level with respect to the health hazards of smoking.

In the Foundation's opinion,

Expansion of the Foundation's responsibility and activities with respect to education would require considerable coordination and funding. There are obvious benefits if the coordinating role recommended by the Standing Committee was assumed by a single organization or committee. This principle will be discussed by the Cancer Society and the Foundation through the Liaison Committee.

With respect to the recommendations pertaining to the Law Society of Upper Canada and its administration of the Legal Aid Plan, the Committee has received some preliminary comments from the Attorney General and the Treasurer of the Society.

Recommendation

The Law Society of Upper Canada give consideration to better informing the public as to the Society's complaint procedures.

Recommendation

The Law Society consider ways to strengthen the mediation role of the public complaints office.

The Treasurer of the Law Society has responded by indicating that:

I believe that the Society has already moved to recognize your recommendation about strengthening the role of the Public's Complaint Office, since we have recently increased the staff of lawyers dealing with this area up to three with additional support staff. The staff

in this office are included in the Discipline Office where . . . we have approximately fifty-four people engaged in the auditing and investigation of complaints and our own review of the profession. Over half of this number is represented by professional auditors and lawyers who are supported by the additional staff including two investigators. All in all, it represents a substantial expenditure by the profession for its own investigation and supervision.

Recommendation

The Law Society Act be amended to provide for the appointment of additional Lay Benchers.

The Treasurer responded by stating that:

I believe that the Society will always wish to consider with the Attorney General what number of Lay Benchers is appropriate. I question whether it is necessary at the present time since there are only one or two committees of the Law Society on which we do not have a Lay Benchers, and this is specifically because they are rather specialized such as the Legislation and Rules Committee and the Unauthorized Practice Committee. . . . In the area of discipline, I have noted that a Lay Benchers was one of the panel of each of the four discipline hearings that took place in the most recent week [19 January 1984] . . . I would have some concerns as to whether additional numbers would improve the situation. As Committees grow larger there is less opportunity for individual members to participate.

Recommendation

The Law Society Act be amended to provide for the regional election of Benchers to the Law Society.

In response, the Treasurer stated that:

Regional representation has been a concern of the Society ever since the first changes were made some years ago through which elections were divided between Metropolitan Toronto and the area of the province

outside Metropolitan Toronto. A difficulty arises when one considers the concentration of lawyers and their distribution throughout the province. If it were done according to population there would be serious anomalies which would deprive geographical areas of the right to participate in the election of their representatives on the governing body. Regional representation would also introduce a concept of constituency that is perhaps inconsistent with the necessity for each Benchers to deal with the matters of the profession on a provincial rather than a parochial basis.

With respect to the Committee's comment that only elected and Lay Benchers should have a vote in Convocation, the Treasurer indicated that this rule may not be fair to the Society since it would deprive Convocation of the experience and service of Life Benchers.

Recommendation

The Law Society of Upper Canada should require all lawyers to discuss their fees with their clients when a client first consults a lawyer.

The Treasurer responded by stating that:

In noting the recommendation that lawyers should discuss their fees with their clients on first consultation, I draw the Committee's attention to the commentaries under Rule 10 of the Professional Conduct Handbook which I believe is available to you. This Rule specifically provides that the lawyer should not undertake to act for, charge or accept any fee which is not fully disclosed fair and reasonable. Commentary number three within that Rule then elaborates upon the fact by pointing out that the lawyer should give the client a fair estimate of fees and disbursements together with information about any uncertainties, and so on, so that the client may make informed decisions. We thus consider it a responsibility of the lawyer to discuss the fee with the client as early as appropriate in the consultations.

Recommendation

The Attorney General provide additional funds to enable the legal aid fee schedule to be raised to levels that adequately compensate lawyers who practice under the Legal Aid Plan.

The Attorney General responded by stating that:

Although the existing Legal Aid Tariff remains one of the most generous in the country, I do hope to be able to provide a significant Tariff increase in the reasonably near future, particularly having regard to the cost increases which members of the legal profession have encountered in recent years.

The Treasurer of the Law Society stated that:

We appreciate the Standing Committee's support of a revision of the Legal Aid Tariff. As I indicated, this is now before the Attorney General who will be pursuing it with the Government and others, and I am sure that you will support the objectives of that revision.

Recommendation

The Law Society in conjunction with the Attorney General review the time limits established in the fee schedule with a view to raising them and making them more flexible.

The Treasurer commented that "there are aspects of the tariffs, such as time limits, which may be altered although there is presently a discretion to provide flexibility in these areas where circumstances warrant."

Recommendation

The Legal Aid Act be amended to cover the percentage contribution deducted from legal aid schedule fees paid to lawyers practicing under the Plan.

The Attorney General responded by stating that:

The issue of lowering the percentage contribution by lawyers to the Legal Aid Plan is one on which I am awaiting the views of the Law Society. While I feel that there is some considerable merit in the tradition which underlies the existing contribution, I will certainly give very careful attention to the conclusions reached by a Committee which the Chairman of the Legal Aid Committee is establishing to review this matter.

The Treasurer indicated that:

The submissions that have been made by various representatives of the profession have reviewed the percentage contribution of 25%. In response to the Committee's recommendation, I would advise that the Legal Aid Committee has appointed a Special Committee to review the matter of the contribution and how it might be considered in the light of present circumstances.

Recommendation

The Law Society consider ways to speed the processing of legal aid lawyers' claims for remuneration and give consideration to making interim payments.

The Attorney General stated that:

The issue of speeding up the processing of Legal Aid accounts is one which has been addressed by the Legal Aid Plan. The proposals which my officials have been making for a number of years on this issue have recently come to fruition with the establishment of a new standard form of account. This standard form can be used for all accounts under \$900.00, which constitute the vast majority of Legal Aid accounts. Where the standard form is used, I am advised that accounts are paid within 30 days. The use of computer processing to deal with standard form accounts will also soon permit greater speed to be brought to the handling of those accounts which do not require manual processing.

The Treasurer Stated that:

With respect to the recommendations for speeding up the process of payment, I would point out that the Regulations were amended later in the previous year to allow the expeditious processing of all Legal Aid lawyers' accounts under \$900.00. This has been the subject of recent discussion in the Legislature with which you are probably familiar. Towards the end of last year the backlog of accounts was reduced dramatically and while still preserving the appropriate audit procedures, we are now able to process the accounts faster and without complications. This is achieved by a new form of standard account that has been provided to

all lawyers on the Legal Aid Panels and which they will utilize in submitting their accounts. Where they follow the standard form in which they do not wish to have any discretionary increase considered, then subject to 25% contribution the accounts will be paid subject to audit during the subsequent two year period. This has already demonstrated that the backlog of unpaid accounts is being greatly reduced and as it comes into full force and effect the process should be as effective as humanly possible.

With respect to other recommendations made by the Committee with respect to the Legal Aid Plan, the Treasurer has stated that this will be considered by the Legal Aid Committee.

With respect to the Committee's recommendations on the Criminal Injuries Compensation Board, the Attorney General and the Chairman of the Board have replied.

Recommendation

The Legislative Assembly of Ontario refer the recommendations of the Federal Provincial Task Force on Justice for Victims of Crime, as they relate to the criminal injuries compensation scheme in Ontario, to a standing or select committee.

The Attorney General states that "I can agree to give careful consideration to the proposal."

Recommendation

The Attorney General in cooperation with the Criminal Injuries Compensation Board amend the Compensation for Victims of Crime Act with the objective of raising the limits on awards.

Recommendation

The Attorney General enter into discussions with the Federal Government with respect to increasing the Federal Government's contribution to the funding of the Board's awards.

The Attorney General has responded by stating that:

Turning to the recommendations concerning the limits on awards and the federal contribution to awards, it is apparent that these are linked. Ontario has recently agreed to take part in a joint initiative with other provinces aimed at persuading the federal government that the serious deficiencies in their contribution ought to be remedied. In the present economic climate, an increase in the federal contribution would certainly play a very important role in permitting Ontario to increase the level of awards.

The Chairman of the Board has responded as follows:

As I stated during the Committee's Hearings, I have recommended, on a number of occasions, to the Honourable, the Attorney General, that the maximums be increased. I have every reason to believe that the Attorney General views our recommendation with favour. However, as you know, action in this regard is solely within the jurisdiction of the Legislature and the Government.

Recommendation

The Attorney General study the possibility of devising a separate compensation fund for police officers who are victims of crime as well as those employed as security guards.

Recommendation

The Criminal Injuries Compensation Board, with the assistance of the Attorney General, negotiate with the Ministry of Community and Social Services a more equitable arrangement which does not result in the reduction of a victim's welfare payments.

The Attorney General's response to these two recommendations was as follows: "I can advise you that I have written to the Solicitor General and the Minister of Community and Social Services respectively about these matters."

The Chairman of the Board's response to the latter recommendation was as follows:

The Board has, on a number of occasions prior to and since the Committee's Hearings, discussed this matter

with the Deputy Minister and other officials in the Ministry of Community and Social Services. Some progress has been made in improving the situation. However, we are still of the view that this vexing problem must be resolved to the point where, what we feel are inequities, are eliminated; particularly as they concern the practice of COMSOC of including our awards for pain and suffering in the same category as income, when welfare assistance payments are considered by that Ministry.

Recommendation

The Criminal Injuries Compensation Board ask the Ontario Police Commision to provide courses and information to police officers on the role of the Board and the means by which applications may be made for compensation.

The Chairman responded by stating that:

This Board has always understood that the curriculum of the police force staff training programme included information regarding the operation of this Board. As a result of the Committee's recommendations, in this respect, we have verified that this is still the case. Furthermore, all police officers are provided with wallet-size cards, which officers are asked to hand to victims of crimes of violence when such crimes are brought to their attention.

Recommendation

The Criminal Injuries Compensation Board strengthen the public's awareness of the Board and its function of compensating victims of violent crime.

The Chairman in response stated:

The Communications Branch of the Ministry of the Attorney General co-operates with this Board in the publication and distribution of printed matter outlining the work of the Board; and which includes information as to the method of applying for compensation. The Communications Branch of that Ministry and our Board have, between them, distributed hundreds of thousands of pamphlets, posters and other information in five languages.

As Chairman, I continue to make myself available wherever and whenever possible to address service clubs, schools, seminars, etc., as well as to participate in appearances on radio, T.V. interviews, etc., to further publicize our work.

While the increase in the number of applications received (17% over the last two fiscal years) may be indicative of a greater awareness of our programme, nevertheless, as Chairman, I am satisfied that more can be done to expend public awareness of our work.

We are presently engaged in discussions with the Communications Branch of the Ministry regarding some plans along these lines. Of course the extent of the ability to carry out such plans will depend largely on the availability of funds to budget for same.

Recommendation

The Criminal Injuries Compensation Board develop a new format in presenting summaries of individual cases in its Annual Report.

In response, the Chairman stated:

It became apparent at the Committee's Hearing that the limited information in the summaries of our Annual Report was insufficient to provide a clearer picture of the Board's decision in the individual cases cited. Therefore, in line with your Committee's recommendations, beginning with the Fifteenth Annual Report of the Board, (1983-84), we will summarize our decisions in much more detail. However, to accomplish this, within a reasonably-sized Annual Report, we will publish summaries of every fourth decision instead of every second one. This will provide approximately 250 summaries.

IV SUMMARY OF RECOMMENDATIONS

1. The Ministry of Health consider amending the Private Sanitaria Act by striking out references to the Board of Visitors and transferring the responsibilities of the Board to the inspection panels created under the Public Institutions Inspection Act.
2. The Ontario Board of Parole be transferred from the jurisdiction of the Ministry of Correctional Services to that of the Ministry of the Attorney General and that it be constituted under its own legislation.
3. The Ontario Board of Parole be given the resources to computerize its files.
4. The Ontario Board of Parole establish a formal program of training for new Board members.
5. The Ontario Board of Parole establish a policy of including a Vice-Chairman or the Chairman on each panel that hears a case.
6. The Ministry of Correctional Services appoint additional qualified Vice-Chairmen to the Ontario Board of Parole.
7. In making appointments to the Ontario Board of Parole, consideration be given to appointing such persons as psychologists and psychiatrists, as well as those recommended by the John Howard Society and the Elizabeth Fry Society.
8. The Ministry of Correctional Services undertake an evaluation of the mandates of the Ontario Board of Parole and the Temporary Absence Program in order to determine the overlapping of the two programs.
9. The Social Assistance Review Board improve its procedures and practices so that it can render its decisions and notify appellants within the prescribed forty days.
10. The Ministry of Community and Social Services in conjunction with the Social Assistance Review Board investigate the possibility of creating Regional Boards of Review or a system of Regional Adjudicators as a way to expedite the decisions of the Board.
11. The Ministry of Community and Social Services devise one unified application form under the Family Benefits Act and the General Welfare Assistance Act.
12. The Ministry of Community and Social Services seek to encourage social workers to assist potential applicants for government assistance in filling out application forms.
13. The Ministry of Community and Social Services recognize the right of appellants before the Social Assistance Review Board to receive assistance, including legal advice, when presenting their case to the board. It would be the responsibility of the Ministry to provide such assistance.

14. The Social Assistance Review Board make it a matter of policy that all cases will be heard by a panel of at least two members.
15. The Game and Fish Hearing Board be given the power to make a final decision, subject to an appeal to the Minister of Natural Resources.
16. The name of the Nursing Homes Review Board be changed to the Nursing Homes Licence Review Board.
17. The Ministry of Health establish a formal complaints and mediation procedure with respect to the quality of care provided at nursing homes.
18. The Ministry of Health consider whether the Nursing Homes Review Board could review the Ministry's requirement that a nursing home make major structural changes to its premises.
19. The Crop Insurance Commission should actively pursue all options that will stabilize its financial situation.
20. The Crop Insurance Commission seek to consolidate and streamline the regulations governing the individual crop insurance plans.
21. The Crop Insurance Commission undertake to establish an insurance scheme whereby those farmers who have crops planted over several parcels of land can buy separate coverage for each parcel.
22. The Crop Insurance Commission investigate the possibility of providing insurance against crop damage caused by wildlife.
23. The Ministry of Health and District Health Councils accept responsibility for ensuring the provision of alcohol and drug treatment services in local communities, and that the Foundation phase out its local or regional offices.
24. The Ministry of Health, in conjunction with the Alcoholism and Drug Addiction Research Foundation, establish a comprehensive alcohol and drug addiction policy for Ontario.
25. The Ministry of Health and the Ministry of Education assume greater responsibility for the dissemination of information relating to alcoholism and drug abuse.
26. The Alcoholism and Drug Addiction Research Foundation actively pursue funding for its research from the private sector.
27. The Legislative Assembly of Ontario give the Standing Committee on Procedural Affairs a special reference to study the issue of legislative access to information in the possession of Ontario's Crown Corporations.
28. The IDEA Corporation's individual contracts be reviewed by the Minister of Industry and Trade as a matter of policy. This requirement should be part of the Corporation's Memorandum of Understanding with the Ministry of Industry and Trade.

29. The Minister of Industry and Trade table in the Legislature the IDEA Corporation's three year review of its mandate.
30. The Ministry of Industry and Trade undertake a study of the role and functions of the IDEA Corporation, the Technology Centres, the Ontario Research Foundation, the Development Corporations and the Energy Corporation. Such a study would have as its objective the elimination of overlapping functions, and the increased coordination of remaining functions.
31. The IDEA Corporation include in its annual report not only a description of its investments, but also some indication of how many potential job opportunities those investments will realize.
32. The Board of Funeral Services undertake a study of what constitutes 'excessive pricing' for funeral services.
33. The regulations under the Funeral Services Act be amended to give authority to the Board of Funeral Services to require funeral directors to provide written itemized cost estimates of funerals.
34. The Ministry of Community and Social Services establish with the cooperation of funeral directors a standard rate for funerals for those receiving social assistance.
35. The Board of Funeral Services establish a policy of requiring funeral directors to make funerals available to the public at the same cost as funerals available to those receiving social assistance.
36. The Minister of Health issue regulations under s. 9(6) of the Public Health Act that would provide for the regulation and inspection of funerals other than those provided by funeral directors.
37. The Ministry of Consumer and Commercial Relations amend the Prearranged Funeral Services Act to provide for the bonding of funeral directors.

APPENDIX A

TERMS OF REFERENCE

Journals, Friday, 24 April 1981, pp. 19-20

On motion by Mr. Wells, seconded by Mr. Gregory,

Ordered, That the following Standing Committees be established for this Session, with power to examine and inquire into all such matters as may be referred to them by the House, with power to send for persons, papers and things, as provided in section 35 of the Legislative Assembly Act:— ...Standing Committee on Procedural Affairs — 12 Members... (with 7 from the Government Party, 3 from the Official Opposition and 2 from the Third Party)... appointed for this Parliament to review and report to the House its observations and opinions on the operation of the Standing Orders of the House, and such additional matters as may be referred to it by the House or by Mr. Speaker from time to time, and that the Committee also have power to review the operation of all Agencies, Boards and Commissions to which the Lieutenant Governor in Council makes some or all of the appointments, and all corporations in which the Crown in right of Ontario is a majority Shareholder, such reviews to be made with a view to reducing possible redundancy and overlapping; and the Committee may not meet during Summer adjournments or during intervals between Sessions without authorization from the Assembly.

APPENDIX B

WITNESSES

Board of Visitors of Homewood Sanitarium, Guelph - Monday, 13 February 1984

Judge Edward G. McNeely
Chairman

Owen Haw
Crown Attorney for the County of Wellington and Secretary

Gordon Goldrich
Sheriff of the County of Wellington and Member

Dr. C. O. Vincent
President
Homewood Sanitarium

Board of Parole - Tuesday, 14 February 1984

Donna M. Clark
Chairman

Jerome Lefebvre
Executive Vice-Chairman

Social Assistance Review Board - Wednesday, 15 February 1984

Eugene F. H. Strauss
Chairman

Harold E. Fulton, Q.C.
Legal Counsel

Nursing Homes Review Board - Thursday, 16 February 1984

Peter Magda
Chairman

Louise Hastings
Acting Executive Secretary
Health Board Secretariats

Game and Fish Hearing Board - Monday, 20 February 1984

Tom Edwards
Chairman

Norm Hawke
Secretary

Don Empey
Member

Crop Insurance Commission of Ontario - Monday, 20 February 1984

Morris Huff
Chairman and General Manager

William Regan
Assistant General Manager

Doug Jackson
Field Services Manager

Greg Brown
Specialty Crops Specialist

Margaret Taggart
Comptroller

Jack Mulder
Underwriting Manager

Hector Delanghe
Member

Robert Hawley
Member

John Eppel
Member

Murray McRae
Member

Alcohol and Drug Addiction Research Foundation - Tuesday, 21 February 1984

Dr. John B. Macdonald
Chairman

Dr. Joan A. Marshman
President

Mr. André P. Charles
Director
Administrative and Support Services Program

Mr. John C. Larocque
Director
Regional Programs Division

Dr. Donald E. Meeks
Director
School for Addiction Studies

Mr. Robert E. Popham
Director
Social and Biological Studies Division

Dr. Edward M. Sellers
Director
Clinical Institute Division

Mr. Henry J. Schankula
Director
Education Resources Division

IDEA Corporation - Wednesday, 22 February 1984

H. Ian MacDonald
Chairman

Brian St. John
President and Chief Executive Officer

George Lyn
Vice-President, Finance

Loren Chudy
Vice-President, Corporate Affairs

Board of Funeral Services - Thursday, 23 February 1983

Gerry M. Lougheed, Jr.
Chairman

Robert Crawford
Vice-Chairman

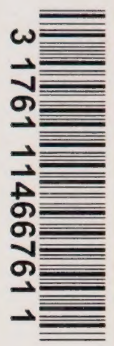
Margaret Poole
Secretary-Treasurer

APPENDIX C

AGENCIES, BOARDS AND COMMISSIONS REVIEWED TO DATE

1st Review:	Waste Management Advisory Board Pesticides Advisory Committee Ontario Food Council Agricultural Research Institute Alcoholism and Drug Addiction Research Foundation Ontario Institute for Studies in Education Education Relations Commission Farm Machinery Board Land Compensation of Ontario Milk Commission of Ontario Cream Producers' Marketing Board St. Lawrence Parks Commission Ontario Council for the Arts Ontario Heritage Foundation
2nd Review:	Ontario Research Foundation Ontario Telephone Service Commission Ontario Housing Corporation Ontario Food Terminal Ontario Council of Health Ontario Municipal Board
3rd Review:	Ontario Educational Communications Authority Ontario Lottery Corporation Board of Ophthalmic Dispensers Ontario Labour Relations Board Ontario Northland Transportation Liquor Control Board of Ontario
4th Review:	Ontario Racing Commission Ontario Hockey Development Committee Farm Pollution Advisory Committee Ontario Place Corporation
5th Review	Ontario Board of Censors Ontario Energy Board Ontario Police Commission Toronto Area Transit Operating Authority
6th Review:	Art Gallery of Ontario Civil Service Commission Commission on Election Contributions and Expenses Ontario Mortgage Corporation Wolf Damage Assessment Board
7th Review:	Criminal Injuries Compensation Board The Law Society of Upper Canada Ontario Cancer Treatment and Research Foundation Ontario Manpower Commission Ontario Status of Women Council

8th Review: Alcohol and Drug Addiction Research Foundation
 Board of Funeral Services
 Board of Parole
 Board of Visitors of Homewood Sanitarium, Guelph
 Crop Insurance Commission of Ontario
 Game and Fish Hearing Board
 IDEA Corporation
 Nursing Homes Review Board
 Social Assistance Review Board



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